

INTERNATIONAL Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

R

London, Thursday, March 26, 1998

No. 35,789



A student being escorted out of Westside Middle School in Jonesboro, Arkansas, after a counseling session to help her deal with the killings.

Deadly School Attack Stuns Arkansas City

One Suspect, 13, 'Had a Lot of Killing to Do'

By Brian Knowlton
International Herald Tribune

Residents of the small Arkansas city of Jonesboro were struggling Wednesday with the shock of the bloody ambush killings of four young students and a teacher by a 13-year-old boy and his 11-year-old cousin outside a middle school.

It was the fourth multiple shooting in less than six months at an American school by assailants under age 17, and provoked immediate debate about the pervasiveness of guns in American homes, the influence of violence in the mass media, and the safety of schools.

President Bill Clinton, a former Arkansas governor, took time from his Africa visit to deplore the shooting and call for an urgent examination of ways to prevent future incidents.

In the carnage reportedly provoked by difficulties with a girlfriend, 10 other students and teacher were wounded when they left the one-story school Tuesday after a fire alarm was sounded. Six were still hospitalized Wednesday, one in critical condition.

"I've been in this for a long time," said Sheriff Dale Haas. "This is the worst thing I have ever seen."

Amber Vanoven, an 11-year-old student, said, "I saw my best friend, Natalie Brooks, get killed, shot in the head twice."

The authorities did not release the boys' names.

The police detained the boys, who wore hunting-style camouflage clothing and carried both handguns and rifles, without resistance. They were expected to be charged with five capital counts of murder.

But because both are under age 14, Arkansas law stipulates that they cannot be held beyond their 21st birthdays, even if found guilty of the crimes. Authorities were examining whether federal laws with stiffer penalties might apply.

The victims at Westside Middle School in Jonesboro were three 12-year-old girls, an 11-year-old girl, and a 32-year-old English teacher who witnesses said was shot trying to shield a girl.

"We all walked outside and they started shooting," Amber Vanoven said. "I saw a teacher step in front of someone else and get shot."

Jennifer Gookin, a teacher's aide, said: "There were people lying everywhere. Blood was everywhere."

All the victims were females, except a boy who was wounded.

The 13-year-old boy had warned friends that he "had a lot of killing to do" because a girlfriend had dropped him, according to a classmate identified by a local newspaper as Jamie Clevenger. Another student, Melinda Hansen, said: "He told us that tomorrow we will find out if you live or die."

The school principal, Karen Carter, said Wednesday that the two boys were

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Clinton Shares in Blame For Rwandan Genocide

In Kigali, He Says World Reacted Too Slowly

By John F. Harris
Washington Post Service

KIGALI, Rwanda — Four years ago this spring, when Rwanda erupted in bloodshed, Clinton administration officials resisted appeals for intervention and spent weeks debating whether the mass killings carried out by Hutu extremists should properly be called a "genocide."

On Wednesday, President Bill Clinton came here and acknowledged that the answer should have been simple.

In 90 days, as many as a million people died what Mr. Clinton called the most rapid "slaughter in this blood-filled century we are about to leave." It was a tragedy, he added, for which the United States and other members of the international community must share blame.

"We did not act quickly enough after the killing began," Mr. Clinton said. "We did not immediately call these crimes by their rightful name: genocide."

Mr. Clinton's speech, during an emotionally pitched three-hour stop in the Rwandan capital, came after he and his wife, Hillary Rodham Clinton, listened to a cascade of painful recollections from survivors of the campaign to exterminate Rwanda's Tutsi minority.

There was the Catholic relief worker

who suffered the murder of her parents and four siblings, witnessed the rape of a friend by 10 soldiers, and saved herself by hiding for several days in a neighbor's home, huddling under a chair covered by a pile of clothes.

There was the priest who said he sometimes felt guilty about being alive when so many family members and friends died.

And there was Venuste Karasina, who told Mr. Clinton that when the killing

U.S. is embracing a new generation of African leaders. Page 6.

began in April 1994, he joined about 4,000 others who fled to a local college, confident that United Nations peace-keeping soldiers there would protect them. But when the UN troops departed, he was one of only 400 left alive after a gun and machete rampage.

"I lost my right hand," Mr. Karasina said. "We died because we were left by the United Nations soldiers."

Mr. Clinton swallowed and tensed the muscles on the side of his face. But

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By William Drozdiak
Washington Post Service

BONN — The United States and five European powers vowed Wednesday to cut off weapons supplies to Yugoslavia by next week and impose new economic sanctions on the nation unless President Slobodan Milosevic opens negotiations on greater political autonomy for ethnic Albanians in Kosovo Province.

But the meeting fell far short of American demands to escalate pressure against Mr. Milosevic, who has shrewdly exploited persistent divisions among the group on how to deal with the Yugoslav leader, whose domain includes Serbia and Montenegro

Struggling to defuse the latest ethnic crisis in the Balkans, foreign ministers from the six-nation Contact Group decided to give Mr. Milosevic another month to meet their demands, including the full withdrawal of

Ethnic Albanians are ready to fight. Page 4.

special police units engaged in a brutal crackdown on ethnic Albanians, who make up 90 percent of Kosovo's population.

Russia, a traditional ally of the Orthodox Serbs who dominate Yugoslavia and their chief weapons supplier, argued against any sanctions. Germany, France and

Italy said incentives to gain Mr. Milosevic's cooperation should be offered along with punitive measures.

The U.S. secretary of state, Madeleine Albright, warned that Mr. Milosevic was stalling until the outside world loses interest in Kosovo, a province along the Albanian border that Serbs consider their historical heartland but which has long been populated by ethnic Albanians.

"I know it is tempting to say that positive measures will work better," Mrs. Albright said. "But our experience teaches us not to be misled by our hopes."

She added, "We have to remember that progress

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11 Countries Approved for Euro

In a Historic Moment for EU, Common Currency Moves Closer

By Barry James
International Herald Tribune

BRUSSELS — Crossing a historic hurdle in the construction of Europe, 11 countries were declared fit on Wednesday to join a single currency beginning next January after years of efforts to slash deficits, curb inflation and chip away at public debts.

The recommendations by both the European Union's executive body and its central bankers carried blunt warnings, however, that much work remains to be done before the European Union's audacious experiment can be assured of success. Many countries have been accused of using creative accounting to squeeze into the single currency criteria for Economic and Monetary Union.

The European Commission nonetheless said that "very positive" economic fundamentals indicated that the venture would be a success, holding out the prospect of stable, inflation-free growth and establishing a currency to rival the U.S. dollar.

The commission recommended that Austria, Belgium, Finland, France, Ireland, Germany, Italy, Luxembourg, the Netherlands, Portugal and Spain join the currency union. Britain and Denmark have decided not to be

among the first wave of entrants, and Greece falls short of the criteria.

Across Europe, stocks and bonds rallied strongly. Investors in Italy and Spain, which have made extraordinary efforts to catch up with their wealthier partners, saw the reports as removing any doubt that those countries will be

charter members of the currency.

EU officials said it was virtually a certainty that heads of government would approve the decision when they meet in Brussels on May 2, despite remaining structural weaknesses and concerns that national economies have not yet converged enough.

The new currency, the euro, will not be an end in itself but an "instrument" to spur and sustain economic growth into the next century, the commission's president, Jacques Santer, said.

President Jacques Chirac of France voiced more ambitious hopes, saying that the single currency would allow Europe "to fight more effectively in the world in defending its interests."

"That is true for all of Europe and for France in particular," he said.

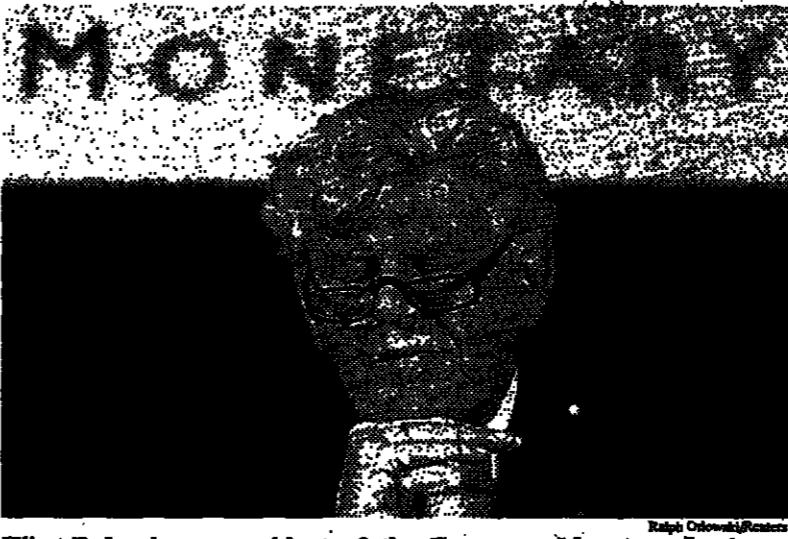
He called the euro a "monetary tool" that, he said, will be "one of the most important in the world."

In Frankfurt, the European Monetary Institute, forerunner of the central bank that will set monetary policy and exchange rates when the new currency comes into being, was more emphatic about the problems that need to be tackled to make the currency union a success, including towering public debt in Italy and Belgium.

"Decisive and sustained corrective policies of a structural nature are warranted in most countries," the institute said.

Public debt in Germany is rising, partly as a result of the cost of reunification. But the commission said it remained close to the 60 percent re-

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Calls for a More 'Social' Europe Put Leaders on Spot

By Alan Friedman
International Herald Tribune

ROME — Even as Europe's political leaders celebrate the now inevitable selection of 11 founding members of the new single currency, they face a potentially explosive social situation that amounts to a race against the clock.

With more than 18 million people out of work in the European Union, demands are growing stronger and louder — on the shop floor, in street protests and on the political hustings — that European leaders broaden their focus beyond what critics call a "Europe of money" to include a more "social Europe."

In France, Italy and Germany, this has become a catch phrase for growing demands to set aside the fiscal austerity that has been a hallmark of the drive toward economic and monetary union and reopen the spigot of public spending and create jobs.

That will be a difficult proposition, as the new stability pact — reinforced last weekend at a meeting of EU finance ministers in York, England — is supposed to police any potential budget profligacy well after the euro is launched in January.

"The risks are enormous," said Ralf Dahrendorf, former head of the London School of Economics, "because once everybody is inside the single currency, they will relax again, and my own view is that

the stability pact will prove nonexistent."

The dilemma faced by European political leaders is that the clamor for more social spending comes just as they are beginning to crown the remarkable achievement of monetary union. Some senior European officials acknowledge in private that they fear they need to act quickly to show their concern.

"Pushing for a more social Europe," warned Horst Siebert, president of the Kiel Institute of World Economics, "could mean higher wage costs and higher unemployment."

In recent weeks the demands of the jobless have

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Lebanese Skeptical of Israeli Offer On Pullout

By John Lancaster
Washington Post Service

BEIRUT — For 20 years, successive Lebanese governments have demanded — with backing from the United Nations Security Council — that Israel withdraw its forces from Lebanon. Now Israel has expressed its willingness to do just that and Lebanon is balky at the offer.

A reasonable person might ask, "What gives?"

In his most detailed answer to date, Prime Minister Rafik Hariri sought Wednesday to explain Lebanon's response to Israel's offer to withdraw its troops from the spigot of southern Lebanon it occupies as buffer zone against guerrillas and rocket attacks on northern Israel.

Casting doubt on the sincerity of Prime Minister Benjamin Netanyahu of Israel, Mr. Hariri said it would be "a disaster" for Lebanon to make a separate arrangement with Israel in the absence of a comprehensive Arab-Israeli peace settlement that includes Syria, which demands that Israel return the strategically situated Golan Heights.

"If Israel wants to withdraw, we welcome that," Mr. Hariri told three American journalists in the living room of his private residence here. "But Israel is asking more than that."

It wants Lebanon to be accountable for the security of the northern border, he said, adding: "In our view, security cooperation among the countries concerned — meaning Lebanon, Israel and Syria — is possible only when we have a peace agreement."

Israel's surprise offer, which won partial backing Tuesday from Kofi Annan, the United Nations secretary-general,



Kofi Annan, the UN secretary-general, donning a yarmulke Wednesday as he visited Yad Vashem, the Holocaust memorial in Jerusalem.

AGENDA

U.K. Spells Out Powers for London Mayor

LONDON (AP) — With big names already jostling for the job, Britain on Wednesday spelled out wide-ranging powers for its proposed post of London's first elected mayor.

London's 5 million voters will decide in a referendum May 7 whether

they want a powerful mayor and a new 25-member city government.

The proposals will give Londoners "a choice and a voice for London and return the capital's government to the people of London," said Deputy Prime Minister John Prescott.

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UN Leader Says Israel Undermines Peace Drive

By Serge Schmemann
New York Times Service

JERUSALEM — Delivering what he called "the most difficult message" of his visit to Israel, the United Nations secretary-general, Kofi Annan, accused Israel on Wednesday of a chain of "provocative acts" that have contributed to a crisis in Israeli-Arab relations.

"As a friend, it gives me no pleasure to recite a list of the grievances which the international community has against Israel," Mr. Annan said in a speech to the Israel Council on Foreign Relations.

"But I think it is important for you, my Israeli friends, to try to understand that those grievances do not come out of a clear blue sky. Here is what the

majority of the member states of the United Nations say: They regard Israel as having been responsible, directly or indirectly, for provocative acts that undermine goodwill and spark hostilities."

The fundamental formula of the Oslo agreements, land for peace, was "the only principle that has a chance of bringing peace to this land," Mr. Annan said.

Mr. Annan issued the reproaches after first acknowledging that Israel had cause to view the United Nations with disdain after decades of lopsided resolutions and denunciations. "That Israel sees hypocrisy and double standards in the intense scrutiny given to some of its actions while other situations fail to elicit the world's outrage and condemnation."

Though Mr. Annan is not the first UN secretary-general to visit Israel, he was the first to express regret publicly before an Israeli audience for the bias the United Nations has shown against Israel, and he vowed to work for a "new era of relations between Israel and the United Nations."

But the effort at reconciliation did not blunt the stern message that Mr. Annan went on to deliver in the same soft, gentle tones. In the view of the great majority of UN members, he said, Israel disobeyed the Security Council and dodged the Oslo agreements. He listed the settlements, the hardships imposed on their Palestinians by various restrictions on their movements and "other actions

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Contact Group Gives Milosevic a Month to Meet Terms

By William Drozdiak
Washington Post Service

BONN — The United States

Armenians in Turkey / 'We're From Here'

In Istanbul, the Terror of 1915 Is a Faded Memory

By Stephen Kinzer
New York Times Service

ISTANBUL — When the Armenian patriarch of Istanbul, Karekin II, died this month, his funeral produced a scene that some foreigners found surprising. More than 1,000 Turkish citizens of Armenian background, together with senior diplomats and government officials, crowded the stately cathedral where a Mass was celebrated in Armenian for the repose of his soul.

Although the occasion for the ceremony was sad, it served as a reminder that despite the vicissitudes of history, Istanbul's Armenian minority remains large and vibrant. In some parts of the world Turks and Armenians are viewed as natural enemies, but the funeral showed once again that in Istanbul, they live peacefully together.

There are about 70,000 Armenians in Turkey, nearly all of them in Istanbul. They form this country's largest non-Muslim minority, maintaining 33 churches, 16 schools, several hospitals and a variety of other institutions. Largely because of religious traditions on both sides, there is little intermarriage.

"I've never had any problems, and I never felt different from any other Turkish citizen," said Ara Kocunyan, editor of the Armenian-language newspaper *Jamanak*, which was founded by his great-grandfather in 1908. "Many Armenians in the diaspora have to accentuate their ethnic identity because they're so far from the homeland. We don't have that problem. We didn't come here from somewhere else, we're from here."

Relations between Turks and Armenians were good during much of the Ottoman period, but they were deeply scarred by massacres of Armenians that pro-Ottoman forces in eastern Anatolia carried out in the spring of 1915. Details of what happened then are still hotly debated, but it is clear that vast numbers of Armenians were killed or left to die during forced marches in a burst of what is now called "ethnic cleansing."

Armenian nationalists have waged a worldwide campaign aimed at forcing Turkey to admit that the Ottoman government committed genocide in 1915, but successive Turkish leaders have refused to do so. In the 1970s the dispute became so intense that Armenian gunmen began killing Turkish diplomats.

For many Armenians in the United States and elsewhere, the nightmares of 1915 are as intensely painful as if they had happened yesterday, and Turkey remains a symbol of evil. But Armenians here have concluded that there is no point in dwelling on the unpleasant past.



The funeral of the Armenian patriarch of Istanbul briefly raised the profile of this minority, which appears to thrive despite the legacy of the 1915 massacres.

"One reason we don't talk about 1915 is that we don't know much about it," said Kirkor Dosemecyan, an engineer and businessman. "To tell you the truth, I'm not really interested. A lot of things happened in history, and if you want to dwell on them you don't have time to live in the present or think about the future."

TURKEY'S record in dealing with minorities is decidedly mixed. Turks of Armenian background, like Kurds, Georgians and members of other minority groups, are free to rise in every field of public or private endeavor, but they are expected to consider themselves Turks first. If they insist on asserting their ethnic identity too strongly, they risk being viewed as separatists.

The Ottoman authorities who ordered the expulsion of Armenians from eastern Anatolia in 1915 did so because they believed that the Armenians had joined with Russia in a plot to sever that region from the rest of Turkey. Armenians living in Istanbul, hundreds of miles from the killing fields, were not severely persecuted, and many were barely aware of what was happening to their cousins in the east.

Although the Armenian minority in Istanbul was largely unaffected by the events of 1915, it was severely shaken by an outburst of anti-minority rioting in 1955.

The government's reluctance to suppress those riots led many Armenians to conclude that they were no longer welcome here. Thousands left, among them many of the most successful and highly educated families. They were replaced by poorer

Armenians from Anatolian villages, a process that Armenians here say has reduced their community's cultural level.

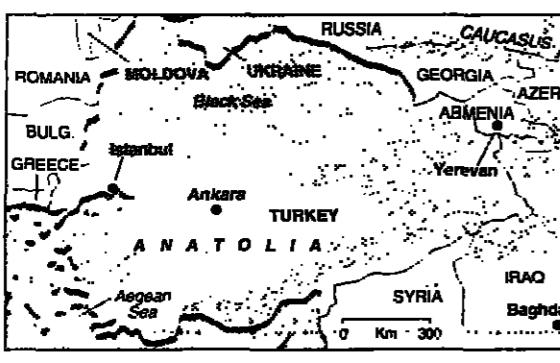
Nonetheless, the Armenians are quite prosperous. Many of them own businesses, and others have become prominent university professors and performing artists.

"They've assimilated a little better than we have," said a prominent Greek resident of Istanbul who asked not to be identified. "Maybe they accept the facts more than we do. Their attitude is that life goes on. They're not as egotistical as we are. They balance their two identities better than we do."

Armenians in Istanbul say they are sometimes insulted by Turks who associate them with policies of the Armenian government. Occasionally Turkish officials make statements that Armenians consider offensive, such as one several years ago in which a cabinet minister described Abdullah Ocalan, leader of the Kurdish guerrilla movement and widely reviled figure here, as "a breed of Armenian."

But if Armenians in Istanbul feel victimized by prejudice, they hide their feelings well. Many say that they have lived their whole lives without a single unpleasant incident, and that they see no contradiction between being Armenian and Turkish. There is no visible trace here of the anti-Turkish sentiment that burns in some Armenian hearts, and little desire to recall the horrors of the past.

"I had a teacher who told me some things about what happened in 1915, and I've heard my parents discuss it with their friends," said a 17-year-old high school student who studies at an Armenian school here. "I could learn more by reading books, but I don't feel ready to read those books. I am afraid they would make me lose my humanity."



Israel Offers a New Plan for Pullout

By Steven Erlanger
New York Times Service

WASHINGTON — After months of stalemate and under increasing pressure from the Clinton administration, Prime Minister Benjamin Netanyahu of Israel has sent President Bill Clinton a compromise offer on an Israeli withdrawal from the West Bank.

While the withdrawal Mr. Netanyahu proposes is smaller than the one the United States is suggesting, it would cede more land than Israel had been willing to give up in the past. The proposal would offer the Palestinian leader, Yasser Arafat, more adjacent land, answering a major complaint of the Palestinians, who have said Israel was offering them isolated patches of land.

Large because of these two factors, this offer could be the basis of an eventual end to the stalemate, depending on how it is received and refined.

Washington is reserving judgment, senior American officials say. But Mr. Clinton, after a letter from Mr. Netanyahu and two long phone conversations with him last Thursday and Saturday, thought enough of the Israeli ideas to decide to send the U.S. envoy Dennis Ross back to the Middle East.

The Clinton administration had been on the verge of laying out, for the first time, a detailed U.S. proposal for an Israeli pullout.

The plan, which calls for the Israelis to withdraw from 13.1 percent of the West Bank, was refined after a long series of negotiations with both Israelis and Palestinians that have exasperated U.S. policymakers.

As an inducement to Mr. Arafat to accept a smaller figure — estimates range from 10.5 percent to 12 percent — Mr. Netanyahu is now talking of withdrawals from areas that will leave Mr. Arafat in charge of a more coherently formed area of land. This area would look more like an embryonic state, instead of isolated areas of self-determination, like pockmarks on the West Bank.

Israeli officials lobbied U.S. legislators and government officials, even as prominent American Jewish leaders with strong ties to the Democratic Party urged Mr. Clinton not to use "pressure tactics" to try to coerce Israel into accepting proposals that affect Israeli security, as Howard Kohr, the executive director of the American Israel Public Affairs Committee, said in a speech Tuesday.

Mr. Clinton had originally decided against another trip to the region by Mr. Ross, and senior State Department officials were already preparing the U.S. proposal to be laid out privately to Mr. Netanyahu and Mr. Arafat, as early as this week. The expectation was that Secretary of State Madeleine Albright would

then publicly outline the proposals in a speech that already had been drafted.

Mr. Clinton had not yet approved going public with a speech by Mrs. Albright, senior White House officials said, stressing that the U.S. proposals were an effort to bridge the gap between Israel and the Palestinians, by which Israeli troops pulled back from that city.

The first Israeli withdrawal was so small that Mr. Arafat would not accept it, and the second, due last September, has never been offered because Mr. Netanyahu says Mr. Arafat violated his commitments to combat terrorism. A third is due by mid-1998, but Mr. Netanyahu wants to skip this withdrawal and instead move into final negotiations on an overall settlement with the Palestinians.

To break this deadlock, the Americans have been suggesting a phased withdrawal over three months from 13.1 percent of the West Bank in return for specific Palestinian acts to counter terrorism and cooperate with Israeli security forces. After the last stage, final status negotiations are supposed to begin.

Mr. Netanyahu argues that 13.1 percent is too dangerous for Israel in an interim deal, and is now offering a figure between the 9 percent he originally insisted upon and 13.1 percent.

The Palestinians and moderate Arab states like Jordan have criticized Mr. Netanyahu for seeking only to delay serious choices for peace and for trying to intimidate the Americans from exerting even moral pressure on Israel by making their proposals public. Israeli officials say they fear that if the Americans go public, it will be very difficult for Mr. Netanyahu to say no — which is why he wants to adjust the proposals now.

TRAVEL UPDATE

Winter Finale in Italy

ROME (AFP) — Snowstorms and strong winds paralyzed ports and disrupted road traffic in southern Italy for a second straight day Wednesday, and forecasters said they expected bad weather until the end of the week.

Only one ferry boat was able to leave Naples for Capri, and services to other islands were halted because of force-6 winds. Traffic was disrupted on the highway between Naples and Salerno after several trucks overturned. For the second night, it snowed in the central region of Umbria.

Big Ad on Paris Metro

PARIS (AFP) — For the first time in the history of the Paris Metro, one of its

trains will carry an advertisement splashed along its sides, but only for two weeks and only on one line.

A train on the No. 1 line from La Defense to Chateau de Vincennes — the Metro's busiest line — will feature an end-to-end advertisement for the FNAC discount store that sells books, music and computer goods. The ad agency that clinched the deal plans a new campaign soon on the upcoming World Cup.

Worried by falling numbers of visitors, Hong Kong plans to start a \$12.8 million campaign next month to revamp the territory's image. The Hong Kong Tourist Authority hopes the worldwide campaign, called "We are Hong Kong, City of Life," will lure visitors and their cash. Arrivals in 1997 were 11 percent fewer than in 1996.

(AP)

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(AP)

Britain Says Dissidents, Not IRA, Set Off Bombs

By James F. Clarity
New York Times Service

BELFAST — In statements clearly intended to keep the Northern Ireland peace talks from being rendered futile, British authorities said Wednesday that they had no evidence that several recent bombings were the work of the Irish Republican Army.

But they added that three bomb blasts that did not kill anyone but which caused substantial damage were probably carried out by IRA dissident groups.

That distinction is important because if the British and Irish Republic governments, sponsors of the talks, were to find that the IRA had broken its cease-fire, they would be under pressure to suspend the IRA political wing, Sinn Fein, from the negotiations for a second time.

Without Sinn Fein at the negotiating table, the likelihood of reaching an effective peace agreement before a self-imposed deadline of April 9 would be slight, officials and experts say.

Sinn Fein returned to the talks Monday after a suspension that began Feb. 20, when the governments found the IRA had been involved in two murders. The party president, Gerry Adams, says that he does not know who is responsible for the recent attacks.

Ronnie Flanagan, the British province's chief of police, said Wednesday, "It is my belief the Provisional IRA was not involved in recent terrorist incidents."

But he continued, "I think there are people with engineering ability at technology who were certainly members of the Provisional IRA who might have stood aside for the moment from that organization and who might be offering technology and expertise into other organizations."

During Sinn Fein's suspension, car bombs wrecked the centers of two predominantly Protestant towns and mortar shells landed in a police station. And hours before Mr. Flanagan's remarks, mortar shells were fired at a police-army base at Forkhill, on the border with the Irish Republic.

Most Protestant unionist leaders involved in the talks say the government statements make a distinction that has no real meaning, that the IRA uses the dissident groups to continue the violence while claiming it has kept the cease-fire it called in July.

"The government is being inconsistent," complained Jeffrey Donaldson, deputy leader of the Ulster Unionist Party, which wants Sinn Fein expelled from the talks.

Iraq Will Give UN Access To Jailed Arms Scientist

Reuters

BAGHDAD — Iraq will allow United Nations arms inspectors to meet with a top Iraqi germ warfare scientist who was detained for trying to flee the country, an Iraqi source said Wednesday.

"If the biological team wants to meet him, it can do so," the source said. "The right of Unscom will not be affected by his detention." Unscom is the special UN commission charged with disarming Iraq.

"All the documents in his possession have been handed over to the special commission 10 days ago," the source added.

Unscom said Tuesday that Baghdad had recently handed over a batch of documents said to have been taken from Nasser Hindawi, who pioneered Iraq's biological warfare program.

The source said that Scott Ritter, a UN arms inspector from the United States whom Iraq had accused of spying, "expressed appreciation for this step through the special commission."

The suspension of Mr. Ritter's inspections two months ago sparked a crisis

over access to Iraqi sites, including eight presidential compounds. The crisis was defused last month when the UN secretary-general, Kofi Annan, struck a deal with Baghdad guaranteeing UN arms inspectors full access to all Iraqi facilities.

Jayantha Dhanapala, head of the UN team of diplomats assembled to join inspections of Iraq's presidential sites, said Wednesday that preparations for the inspections were complete.

Of the detained scientist, the Iraqi source said: "The documents seized from him were scientific reports he himself had taken part in preparing when he was working within the past biological program."

Nasser Hindawi was arrested because he violated laws related to traveling abroad," the source said. "And he is accused of keeping with him documents relating to Iraq's past biological program."

A UN spokesman, Ewen Buchman, said the documents included many that the commission had previously known about. It was not known whether others contained any significant revelations.

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Washington — The

Administration plans to certify

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THE AMERICAS

House Panel Approves \$217 Billion in Transportation Spending

POLITICAL NOTES

By Eric Pianin
Washington Post Service

WASHINGTON — The House transportation committee has swiftly approved \$217 billion in spending for highways, bridges, mass transit systems and bike paths, virtually assuring passage of one of the biggest public works bills in history.

The House action Tuesday, coupled with earlier passage by the Senate, assures an increase in spending beyond what anyone thought possible six months ago, lawmakers said. It also marks a substantial alteration in the federal government's priorities outlined in last summer's balanced budget deal — trading various social programs for election-year outlays on concrete and asphalt.

The measure is "the most significant piece of transportation legislation in our country's history" — since the creation of the interstate highway system in the mid-1950s, said Representative Bud Shuster, the Pennsylvania Republican who wrote the House version.

The proposed 42 percent increase is nearly \$30 billion more over the coming six years than allowed under the agreement and will oblige Congress to find offsetting cuts in other government programs.

Although there are many details to be worked out between the House and Senate over such issues as the shape of the ultimate package of "pork barrel" projects requested by individual members, Congress now appears on a fast track to clear new highway legislation before a May 1 deadline.

The House was not shy about many special projects in its bill. Crafted largely by Mr. Shuster, chairman of the House Transportation and Infrastructure Committee, the bill contains nearly \$1.8 billion worth of projects earmarked for roughly four-fifths of all congressional districts.

The 1,400 "high priority" projects — widely referred to as pork barrel spending — range from \$100,000 to "upgrade pedestrian traffic facilities" in Bristol, Rhode Island, to \$97 million for a major demolition and reconstruction of an interstate bridge in Oklahoma. The Senate bill, by contrast,

contains only a few earmarked projects, although traditionally, Senate leaders wait until the conference with the House to present their lists.

Mr. Shuster's bill, called the Building Efficient Surface Transportation and Equity Act, was approved by his committee by a vote of 69 to 0, and will be sent to the House floor next week for almost certain passage before Congress departs for the April recess.

Lawmakers viewed the bill as a major triumph for Mr. Shuster, a 13-term veteran who has waged a crusade to shake loose billions more from the federal highway trust funds to fix or widen crumbling highways and bridges and spur economic development.

"Shuster knows how to work the system," said a Republican member of the committee, Representative Ray LaHood of Illinois. "He's at the pinnacle of his power right now. And I think he goes into the conference with the Senate with an awful lot of clout and influence."

Representative James Oberstar of Minnesota,

the ranking Democrat on the committee, praised Mr. Shuster's skill and persistence in overcoming leadership resistance and dubbed the bill the "Bud E. Shuster Transportation for All Equality Act."

But some Senate and House Republicans complained that adding so much in pork barrel spending sends the wrong signal. Representative Steve Largent, Republican of Oklahoma, contended that Mr. Shuster was using the earmarked projects to "buy votes" for his bill.

"It stinks," Mr. Largent said. Mr. Shuster defended the practice, saying that all the projects had been carefully vetted and that there was nothing wrong with Congress earmarking 5 percent of the overall spending.

At the heart of the plan is the requirement that future federal gas tax revenues be used exclusively for highway spending and not for other types of spending or for offsetting the deficit. Mr. Shuster and his allies have fought for years to move the trust fund "off budget" and hence out of bounds for other kinds of spending or deficit reduction.

Lewinsky's Mother Told She Must Testify

The Associated Press

WASHINGTON — Monica Lewinsky's mother, Marcia Lewis, failed Wednesday to persuade a judge to excuse her from further questioning by a federal grand jury investigating allegations of a presidential affair and cover-up.

"Unfortunately, nothing changed," said Ms. Lewis's lawyer, Billy Martin. "She remains a witness before the grand jury."

Mr. Martin declined to give details of the two-hour closed hearing before Judge Norma Holloway Johnson of U.S. District Court.

A psychiatrist, Dr. Neil Blumberg, was called into the hearing for Ms. Lewis, but said afterward that the judge would not allow him to make any comment. Last month, Ms. Lewis was distraught when she left the courthouse after a second day of questioning about allegations her daughter and the president had an affair and tried to cover it up.

Mr. Martin said Ms. Lewis would make a statement after completing her testimony.

"She would like me to note that in her love and support of her daughter Monica, she would look forward to making a statement that explains her view in this matter," he said.

Prosecutors working for the independent counsel, Kenneth Starr, are trying to learn whether Ms. Lewinsky, a former White House intern, had an affair with President Clinton and whether they tried to keep it secret. They have been seeking to identify friends and associates in whom Ms. Lewinsky may have confided her relationship with the president.

Mr. Clinton has denied having any sexual relationship with Ms. Lewinsky.



Marcia Lewis and her lawyer, Billy Martin, arriving at the courthouse in Washington on Wednesday.

Subpoenaed: Intern's Taste in Literature

Washington Post Service

WASHINGTON — Is the independent counsel Kenneth Starr interested in Monica Lewinsky's taste in literature?

On Monday, Kramerbooks & Afterwords was ordered to turn over records of Ms. Lewinsky's purchases at a Washington bookstore before she became a household name in January.

"We are cooperating," said Carol O'Riordan, Kramerbooks' attorney, adding that they were trying to work out "a response that is not unduly burdensome to a small company."

One of several books Ms. Lewinsky bought there is "Vox," Nicholson Baker's 1992 novel of yuppie phone sex between a man in a Western city and a woman in the East.

Word of the subpoena outraged Ms. Lewinsky's lawyer, William Glabicki, who offered up a few literary references of his own.

"This is 'Animal Farm.' This is 'Brave New World,'" he said. "My God, they've got the government in our bathroom."

Mr. Starr's spokeswoman, Deborah Gerulman, would not comment.

Complaints Greet U.S. Policy Change on Testing of New Passenger Jets

The Associated Press

WASHINGTON — The Federal Aviation Administration plans to certify three new jets for service without the traditional test of a passenger escape, opting instead to rely on partial tests and an anecdotal analysis conducted by the aircraft makers.

The policy change, which would eliminate the usual practice of sending mock passengers out emergency exits and down evacuation slides, prompted an aviation watchdog group and the world's largest union of flight attendants to assert that passenger safety was being jeopardized.

But the FAA argues that in both cases, a wealth of full-scale evacuation data are available to support its new position. In many cases in

which passengers survive an airliner accident, they die from smoke, fire or water because they are incapacitated or cannot leave the plane quickly enough.

Certifying new jumbo airliners without emergency evacuation testing is like launching hundreds of potential *Titanics*, Paul Hudson, executive director of the Aviation Consumer Action Project, said Tuesday.

Chris Witkowski, spokesman for the 42,000-member Association of Flight Attendants, added: "If you don't do the drill when you have a new aircraft, you don't really know how the passenger flow and passenger management will work until you do have a real accident or the need for a real evacuation. At that time, it's too late."

enment land. She left most of her fortune to charitable causes, including the freeing of slaves.

Short Takes

No time to make it to the psychologist's office? A new dial-a-shrink service aims to fill the needs of many overstressed Americans. The Psychology Network, a 1-800 phone line launched last month, has 70 psychologists on-call in several states, The Miami Herald reports.

New American Psychological Association guidelines say phone counseling has its place, so long as confidentiality is maintained and callers have realistic expectations. Users should not expect help with long-standing disorders or dependencies, for example. Nor does toll-free counseling come cheap. For a 50-minute session, the Florida-based service charges close to \$200 an hour or twice what a patient would pay in a Florida psychologist's office.

Trendy cafés aside, the share of Americans drinking coffee has fallen to its lowest level in nearly 50 years, to 47.2 percent early this year from 48.6 percent last year, the National Coffee Association said. One key factor: surging coffee prices, which reached a 20-year high last year.

The Burlington, North Carolina, police are hot on the trail of a nasty group of scofflaws: library patrons with overdue books. The city library asked the police to arrest more than 60 people as felons for failing to return materials. At least 35 have been arrested, including six juveniles. The district attorney has said he will prosecute. Those arrested face court costs of at least \$80 and could spend time in jail, though the police say that is unlikely. Despite protests, the library defends the approach. It has recovered more than \$50,000 worth of missing materials, half the total.

Brian Knowlton

The policy change applies to the Boeing 777-300 series, an elongated version of the company's newest jumbo jet, and stretch versions of the Airbus A330/A340. The A330 has two engines; the A340, four.

In the case of the 777-300, the fuselage will be stretched to increase the passenger capacity from 440 people to 550. Another pair of emergency exits will also be added.

Airbus is going to lengthen the A330/340 aircraft to increase its capacity from 361 passengers to 440. The European plan maker will not, however, add any new emergency exits to either plane; instead, it will increase the size of an existing pair of exits.

"In both these cases, a wealth of full-scale evacuation data are available to support analysis

and the FAA is confident that the use of analysis is well within the intent of the regulation," Ronald Wojnar, the FAA's air certification manager, said in a notice March 6. That was a day before Boeing conducted a partial safety test on the 777-300.

"Therefore, in accordance with the regulation, conduct of additional full-scale evacuation demonstrations is not required to demonstrate compliance, if a satisfactory analysis is produced," Mr. Wojnar wrote.

The previous regulation stated that an aircraft maker could not receive certification for a new aircraft or one with a "major change" without showing that passengers and the flight crew could exit the plane within 90 seconds using only half the available exits.

Manufacturers contend that the tests are costly and dangerous. They also say that with stretch models, the same information about passenger safety can be gleaned by extrapolating from partial tests and data gathered from tests of the initial aircraft.

While the new policy applies only to the three models listed in the order, the FAA is accepting comment until April 6 about whether it should use a similar policy for other stretch aircraft versions.

Kirsti Dunn, a spokeswoman for Boeing, could not say if the company had requested the policy change or whether it had been timed to allow the partial test a day later. A spokesman for Airbus did not respond to a call seeking comment.

Away From Politics

AP

Green Cards Delayed by Glitch

New York Times Service

NEW YORK — The U.S. government has delayed issuing 78,000 residency permits for immigrants because a new machine designed to produce fraud-proof green cards has been dysfunctional since it was installed last summer.

Spokesmen said the Immigration and Naturalization Service was only working out bugs as it starts using sophisticated technology to produce green cards that contain digital fingerprints and high quality photographs. The cards, which confer permanent legal residency, are a precious commodity, representing the first formal step toward becoming an American.

Which former PTOs, once privatized, have proved to be the most competitive?

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الجولان

EUROPE

Russian Arms Pledged To Milosevic, U.S. Says

Washington, in Dark on Details, Is Worried

By Raymond Bonner
New York Times Service

LONDON — In a move that could threaten the delicate peace in the Balkans, Russia has agreed in principle to sell Yugoslavia tanks, attack helicopters, ground-to-air missiles, MiG-29s and spare parts, U.S. officials report.

The deal, which was arranged in Moscow in December, has not been made public, and American officials say they are in the dark about the details, including the quantity of weapons and how many have already been delivered.

The Russian weapons will put Yugoslavia in violation of the Dayton agreement, which ended the fighting in Bosnia, an official of the Organization for Security and Cooperation in Europe said. The organization, which monitors compliance with limits set on weapons in the Balkans, had not been told about the Russian deal, the official said.

American officials would talk about the deal only on the condition that they not be identified, because President Bill Clinton's administration has sought to keep it from becoming a public issue. A State Department official said Tuesday that the administration had formally objected to the deal in meetings with Russian officials, but human-rights advocates say that was not enough.

"Military goods should not be transferred to a government implicated in war crimes," said Fred Abrahams, an associate at Human Rights Watch in New York, referring to the government of the Yugoslav president, Slobodan Milosevic.

Mr. Abrahams added that there was "strong evidence that attack helicopters had been indiscriminately against civilians during the recent demonstrations in Kosovo."

Shortly before the turmoil in Kosovo, the Yugoslav government received two Russian-made attack helicopters, a U.S. official said.

It was because of Mr. Milosevic's actions against the ethnic Albanians in Kosovo that the United States, Britain and other powers imposed an arms embargo on Yugoslavia on March 9.

Russia did not oppose the arms embargo, but in recent days it has indicated that it would do so now.

The 1995 Dayton accords set limits on the number of weapons, including tanks, helicopters and combat aircraft, that the governments in the region can have. Yugoslavia is at the limit in all categories except artillery, an official of the Organization for Security and Co-

operation in Europe said. American officials fear that excess weapons will be transferred to the Bosnian Serbs or to a country such as Libya, which Mr. Milosevic has sold to in the past.

Mr. Clinton's administration, however, is on somewhat shaky ground in opposing the deal, several U.S. officials said, because it is upgrading the weapons of the predominantly Muslim Bosnian Army.

It is not clear how Yugoslavia, with its bankrupt economy, will pay for weapons from Russia. But back in the days of the Soviet Union, Moscow ran up a debt of \$1.5 billion to the former Yugoslavia, primarily for agricultural goods, steel and clothing.

American officials are greatly concerned that Mr. Milosevic may be planning to draw on this debt to pay for the weapons, because the debt is owed not only to Mr. Milosevic's state but to other countries of the former Yugoslavia as well.



U.S. Marines who landed in Ploce, Croatia, waiting Wednesday to be flown to Bosnia for a NATO exercise.

Winds of War Blow Stronger Day by Day in Kosovo

By Lee Hockstader
Washington Post Service

LIKOVIC, Yugoslavia — In the rugged hills and placid-looking villages of Kosovo, tough ethnic Albanian independence fighters of the Kosovo Liberation Army are nervous and expecting the worst.

The latest Balkan war is gathering day by day in Likovic, a tiny hill village about 25 kilometers (15 miles) from Pristina, the provincial capital. Armed with automatic weapons dressed in good uniforms and boots, and equipped with sophisticated walkie-talkies, the guerrillas appear well trained, determined and ready for a fight.

"They can't even take a step forward," said a bearded young fighter with an AK-47 assault rifle across his lap, speaking of the Serbian paramilitary forces who oppose them. "We're not afraid. We'll risk our lives to defend our land."

They may have to. Just a few kilometers away, Serbia's paramilitary forces are dug in behind sandbags and armored personnel carriers. Despite international demands made more than two weeks ago, the Serbian troops have not withdrawn from Kosovo, and there are signs they may be preparing for a new onslaught.

Firefights between the Albanian guerrillas and the Serbian troops break out nearly every night and some days here in Kosovo's ethnic Albanian heartland, known as Drenica, which forms a triangle west of Pristina. Most women and children have left for villages farther from the action.

The guerrillas fire assault rifles and, according to witnesses, heavier weapons as well. The Serbian para-

military forces respond with bigger weapons — anti-aircraft cannons and mortars. Repeatedly, the Albanians say, the Serbian troops have tried to advance to the hills. But the roads and the terrain are very rough — and so, they say, is the resistance.

The guerrillas' numbers are unknown, but educated guesses do not exceed the hundreds. At least some were trained in the old Yugoslav Army. Although limited, their firepower is multiplied by villagers with

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less training and no uniforms but equal determination.

"This is the center" of resistance, said a man in his 20s who spoke broken English and described himself as a literature student at Pristina University. He was seated with three fighters in a cafe in Likovic. "The Serb force can come only by the skies and by tank — and only with blood. He must kill us to come here."

Still, the guerrillas are nervous. When three American journalists arrived to speak to them, they said they believed reporters were working for Serbian intelligence. They demanded to inspect the visitors' sunglasses, suspecting they hid tiny cameras. And they gave only a handful of terse answers before asking the Americans to leave.

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Crystal Ball Sort of Cloud After Yeltsin Shake-Up

By Daniel Williams

MOSCOW — It is indeed a sort of cloud that hangs over the future of the Russian state, but it is not a formal political one. What will happen to the Central House of Journalists, Moscow's most prominent cultural institution? What could do we do with the Russian Academy of Sciences? What about the Russian Academy of Arts? The answer to these questions is not yet clear. The answer to the question of what will happen to the Central House of Journalists, Moscow's most prominent cultural institution? What could do we do with the Russian Academy of Sciences? What about the Russian Academy of Arts? The answer to these questions is not yet clear.

SOVO

India Sifts Ruins After Tornadoes

The Associated Press

NEW DELHI — Rescue workers searched hundreds of shattered huts in eastern India on Wednesday for survivors after tornadoes left at least 145 people dead — including 40 schoolchildren — and 3,000 injured.

As many as 500 people were believed to be trapped under the debris of collapsed houses, the Press Trust of India news agency said.

The agency, reporting from an emergency center in Midnapore, the hardest-hit district, said 145 bodies had been recovered by Wednesday afternoon.

The main storm Tuesday devastated several villages in the district, in West Bengal state, then spun off another tornado that tore through villages in neighboring Orissa state, according to the meteorological department. The area is 1,200 kilometers (750 miles) east of New Delhi.

R. Deb, a government official in Midnapore, said the death toll would probably rise as workers combed through the debris of hundreds of mud and thatched huts.

The tornadoes flattened thousands of homes and left more than 10,000 people homeless, PTI said, quoting state police officials.

Among the dead were 40 children crushed when a school building used as a shelter collapsed in Balasore district in Orissa, it reported.

Ten people were killed when the boat they were traveling in was lifted into the air and smashed against the banks of a river.

Fifty passengers of a bus were injured when strong winds blew it into a nearby canal. Villagers cut open the doors of the bus to rescue passengers.

"This looks like a war zone to me," Mr. Deb said.



A West Bengal mother and son at home Wednesday.

ASIA/PACIFIC

U.S. Troop Aid to Jakarta Questioned

By Tim Weiner
New York Times Service

WASHINGTON — Indonesia's best-known opposition leader has challenged President Bill Clinton to explain why U.S. special-operations soldiers are training members of the Indonesian military.

"Who, in the view of the U.S. government, is the target or enemy for this specialized training?" asked Megawati Sukarnoputri in a letter on March 18 to Mr. Clinton. Noting that her country faces no foreign threat, she suggested that the troops' real targets were Indonesians protesting against their government.

The United States has been training Indonesian soldiers despite a 1992 congressional ban intended to end the instruction. Under a little-known \$10 million Pentagon program called Joint Combined Exchange and Training, U.S. Special Forces teach the Indonesians skills that include psychological warfare and urban combat techniques.

"The U.S. military is providing training in lethal methods of social control at a time when the Indonesian people are trying to build a more democratic system," said the letter, a copy of which was given to The New York Times.

"It is the explicit policy of the Indonesia security forces to meet peaceful and unarmed demonstrators with force

and thus military training from the U.S. directly undermines the democratic movement in Indonesia."

Indonesia's military has ordered its troops to police recent political protests against the Indonesian government.

Pentagon officials say the commando training increases the United States' ability to influence the Indonesian troops' respect for human rights. Mrs. Megawati's letter questioned that argument.

"In light of the U.S. government's stated support for democracy around the world, I respectfully request an explanation of this secret training program that contradicts this noble foreign policy goal," her letter concluded.

The Indonesian military is seen by many members of the government and some of the people as the most stable institution in a nation whipsawed by political corruption, skyrocketing inflation and social unrest.

But the military has been accused of a long series of abuses, including the disappearances of political opponents, and it engineered Mrs. Megawati's ouster as chairman of one of the nation's three sanctioned political parties in 1996.

Mrs. Megawati, the daughter of the former Indonesian ruler Suharto, has become the leading symbol of dissent against the 32-year reign of President Suharto.

Congress cut off funds that went to

Indonesia, under a program called International Military Education and Training, in 1992, after Indonesian troops massacred more than 270 civilians on the island of East Timor.

But the Pentagon continued its instruction in Indonesia under the Joint Combined Exchange and Training program.

■ Protest Turns Violent

An anti-government demonstration by about 1,000 students turned violent Wednesday, leaving at least 10 security personnel and 39 protesters injured, according to witnesses quoted by The Associated Press.

About 300 police officers and soldiers used sticks and clubs to beat back groups of rock-throwing students who tried to stage an illegal street march from the state-run March 11 University in Solo, 400 kilometers (250 miles) east of Jakarta.

Solo's police chief, Lieutenant Colonel Imam Suwansa, said that 10 officers were injured by stones.

Witnesses said that security personnel fired at least three volleys of tear gas at the crowd, but the police denied this.

It was the most violent clash so far in a series of student protests against the government of President Suharto, who is battling Indonesia's worst economic crisis in 30 years.

Factional Fighting Pins Down Karachi

Copied by Our Staff From Dispatches

KARACHI, Pakistan — Feuding factions of a minority ethnic party set cars and buses on fire Wednesday, shutting down Pakistan's largest city in a protest over the killing of their members this week.

All day, activists from the two factions roamed Karachi's eastern district burning vehicles, blocking roads and warning store owners to keep their shops closed.

A strike also disrupted life in Hyderabad, 160 kilometers (100 miles) northeast of here, and partial shutdowns were reported in the cities of Sukkur, Nawabshah and Mirpur Khas in southern Sindh Province. Sources said that major shopping centers and wholesale markets were closed and that vehicles stayed off the roads.

The Karachi Stock Exchange halted trading three hours early because of thin attendance, brokers said.

That sparked two days of shooting that terrorized the eastern district of Karachi. Bands of heavily armed activists from both sides ran

through the streets choosing targets and shooting them. Activists from both factions were pulled from their homes, taken out on the street and killed, the police said.

Hundreds of paramilitary rangers and police were patrolling the area Wednesday. Armored personnel carriers were parked on street corners and dozens of police in armor-plated vans were in the streets, witnesses said.

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(AP, AFP)

BRIEFLY

Karachi Challenges
Islam's Green

Brunei Prays for End to Fires

BANDAR SERI BEGAWAN, Brunei — The government closed schools Wednesday for two weeks, and Sultan Muda Hassanal Bolkiah led mass prayers for rain to put out forest fires in Indonesia that have cast a blanket of smog over the country.

The sultan joined religious leaders, ministers and thousands of other people at prayers at a mosque here.

Brunei largely escaped last year's cloud of smog from the raging Indonesian fires that enveloped much of Southeast Asia. But blazes in the drought-stricken sultanate on Borneo Island, as well as in the Indonesian and Malaysian sections of the island, have periodically covered Brunei with smog since the beginning of the year. (Reuters)

Taiwan's Aviation Chief Quits

TAIPEI — Taiwan accepted the resignation on Wednesday of its civil aviation chief, after the island's worst air disaster and a series of subsequent incidents, government officials said.

The director of the Civil Aeronautics Administration, Tsai Ruei, had offered to resign hours after the China Airline crash Feb. 16 that killed 202 people. But the government insisted he stay on to oversee the inquiry.

But pressure for Mr. Tsai's resignation became too much after a series of subsequent incidents involving other aircraft, so Premier Vincent Siew's cabinet finally let him go, officials said. (Reuters)

Ranariddh's Backers Checking

PHNOM PENH — Supporters of Prince Norodom Ranariddh, the ousted co-prime minister, arrived in Phnom Penh on Wednesday to check on security and other arrangements for the prince's return next week.

The prince is due to return from Bangkok on Monday under the terms of the Japanese-brokered peace plan aimed at ending factional fighting and ensuring that he can take part in a July 26 election.

His security is a major concern of his supporters and the international community, but a senior member of the Phnom Penh government, co-defense minister Tea Banh, said that security arrangements were ready. (Reuters)

Koreas Resume Food Aid Talks

BEIJING — Red Cross delegates from the rival Koreas resumed talks on food aid Wednesday that broke down in December because of disputes over how to ensure shipments of grain reach the most needy.

Negotiations for the South Korean Red Cross were asking for guarantees on food distribution but would not insist that South Korean monitors accompany the deliveries to North Korea, said Johan Schaaf of the International Federation of the Red Cross.

"It cannot be done at this stage," he said. "I don't think the time is ripe yet for South Korean monitors."

Monitoring delivery of relief supplies remains a crucial concern for South Korea and other donor nations because of worries that the North's Communist government may be diverting foreign food aid to its 1.1-million-member army. (AP)

BRIEFLY

Prison's Wife

Papua-Polish

Spain's New

Appraisal

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In East Africa, U.S. Signals That Full-Fledged Democracy Can WaitBy James C. McKinley Jr.
New York Times Service

KAMPALA, Uganda — When President Bill Clinton walked into a conference with East African leaders here on Wednesday afternoon, he did what American presidents usually do in the Third World: preach the virtues of free markets, democracy and civil liberties.

But Mr. Clinton's decision to hold the conference in Uganda had already sent another strong signal: that the United States is embracing a new generation of leaders in the region who care less about establishing full-fledged democracies than they do about developing their countries.

The unofficial standard-bearer for this group is Yoweri Museveni, a former guerrilla fighter who rescued this lush Central African country from political chaos and economic collapse over the last decade but does not allow party politics. The others in the group include

the presidents of Eritrea, Ethiopia, Rwanda and Congo, the former Zaire.

These leaders say they want more trade and investment from the United States, but they do not want to be told how to govern.

And while American officials maintain that they are still advocating democracy, they acknowledge that their overriding goal in the region is to support leaders who not only manage their governments well but also can somehow stanch the seemingly endless rebellions, famines, refugee crises and economic disasters that have cost the West billions to fix over the years.

From this perspective, Lieutenant General Museveni is a model leader. His style of self-reliant government, fiscal discipline and free-market economics has made him the darling of U.S. diplomats, who are trying to remodel America's role in Africa to replace costly and paternalistic aid programs with more trade and investment.

"You have a new type of leadership, particularly on the economy, and he has more of a regional vision," an American diplomat said. "You're looking at a group of people who find African solutions to African problems."

But the American support in recent years for General Museveni and the others in this generation has opened up the United States to charges of double standards from older allies, especially Kenya. A staunch ally of America during the Cold War, Kenya has a much more advanced democracy than Uganda, having held two all-party elections in the last 10 years.

Still, Washington has battered President Daniel arap Moi recently because he has done a poor job managing the economy and has not cleaned up the rampant corruption in his government. This stance has put questions in the minds of some East Africans about how deep America's professed commitment to encouraging democracy runs. Indeed, most of the countries to which the United

States has moved closer in recent years — Uganda, Ethiopia, Eritrea and Rwanda — have yet to set up bona fide pluralistic political systems.

While Uganda has experienced its longest period of peace and economic development in decades, the region as a whole is far from peaceful. One reason for this is that General Museveni and the other leaders in this group have not been shy about supporting armed rebellions in neighboring countries.

The war in southern Sudan is entering its 15th year with no sign of abating, partly because recent rebel advances have been helped along by Uganda, Ethiopia and Eritrea. In Rwanda and Burundi, civil wars between the Hutu majority and Tutsi minority, touched off when Uganda-backed Tutsi rebels invaded Rwanda in 1990, continue to take hundreds of lives a week.

In Uganda, a terrorist campaign by Christian fundamentalist rebels in the north has persisted with heavy Sudanese

support. In eastern Congo, the self-proclaimed president, Laurent Kabila, who came to power last year with Ugandan and Rwandan support, is facing new uprisings from rebel movements allied with Hutu insurgents in Rwanda and Burundi. Somalia remains a fractured mess of warring clans with no central government.

It was against this backdrop that Mr. Clinton met with heads of state at Entebbe on Wednesday afternoon. Neither the Burundi military leader, Pierre Buyoya, nor the Sudanese president, Lieutenant General Omar Hassan Ahmad Bashir, were invited. Nor were there any Somali representatives at the table. As a result, little progress on solving the region's many conflicts could be expected.

Still, most American policymakers see Mr. Museveni and the others in the new generation as the best hope for East Africa's future. They contend that these leaders have supported insurrections in other countries only when they would create greater stability in the long run.

As long as these African leaders make some headway toward democracy, or show a willingness to keep working toward it, America can live with them, U.S. officials said.

"All these countries are in some sort of a transition," a U.S. government official said. "It's not that we have a double standard. It's that we have varying standards based on historical context."

But there is another reason for the United States' stance. With the Cold War won, Islamic fundamentalism has become the new perceived threat to American interests in the region, and the Islamic government in Sudan has been harboring Muslim terrorists and financing rebel movements throughout the region.

By hacking Uganda, Ethiopia and Eritrea, the United States has isolated Sudan and put pressure on its government. All three countries are now receiving American military aid and are, in turn helping rebels in southern Sudan.

At a South African School, Revival of Apartheid Rage*A Tangle of Racial Issues Sparks an Explosion*By Lynne Duke
Washington Post Service

VRYBURG, South Africa — It seemed like a flashback to the ugly apartheid past last month when white parents, armed with whips and seething with anger at resurgent black activism, charged into Vryburg High School and attacked several black students.

Then things went from bad to worse. White and black students beat each other up over several days. White policemen and black policemen fell out and exchanged blows, too. Criminal charges were filed. Court orders were issued. The army was called in to buttress the police. And tensions in this fading cattle town 250 miles west of Johannesburg reached such a fever pitch that security forces opened fire with rubber bullets and tear gas last week to stop thousands of black protesters who stoned the police, threw firebombs and set several cars on fire.

The center of it all, the formerly all-white Vryburg High, now is shut down and ringed by a wall of razor wire — the latest unsettling symbol of just how fragile South Africa's new democracy is in the nation's remote reaches. While school integration has proceeded without violence in most parts of the country, Vryburg and other small towns where repression of blacks once was harshest have become battlegrounds for old antagonisms and conflicting new rights.

The conflict revolves around a tangle of racial, linguistic and constitutional issues that tests how well South Africa can balance the interests of the nation's white minority with those of the black majority since the dismantling of apartheid and the advent of democracy in 1994.

Black students and their supporters in the town want an end to white domination of the school's administration and to the use of Afrikaans — the language of Afrikaans, descendants of the nation's early Dutch settlers — as its primary medium of instruction.

"We just want to show them that we are prepared to fight for our rights in that school," said Shadrack Bosman, 18, a black student leader. "It's not a white man's world like before, and we will see that South Africa doesn't go back."

The Reverend Kobi Venter, chairman of the school's all-white governing body, which was disbanded last week, said he regretted that white parents had attacked the black students. "But they were driven to it," he said, because of black student indiscipline and intimidation aimed at white adults, including a disputed allegation that black student leaders tried to take Mr. Venter and the school's principal hostage if they did not meet student demands.

"We are making a stand, that's for sure," he said. "All we ask is, Can we

have for the future what has been ours for 100 years?"

As in many educational conflicts in the new South Africa, the dispute at Vryburg High pits black Africans against white Afrikaans, who created the apartheid system of racial separation. Since the fall of apartheid, many Afrikaans have become bitter watching the privileges of racial exclusivity being challenged.

Afrikaans, a majority of South Africa's 12 percent white population, are an insular group that treats Afrikaans as a symbol of cultural strength. The Vryburg Afrikaans want the high school to maintain classes in which only those who speak Afrikaans are allowed. Vryburg's population of 55,000 roughly reflects the nation's racial proportions, with 43,000 blacks, 7,000 mostly Afrikaan whites and 5,000 mixed-race coloreds.

Vryburg High, which is more than 100 years old, is one of many schools that once were exclusively for Afrikaans. Compared with black schools that were purposefully underfunded, overcrowded and neglected under apartheid, the Afrikaan schools had better equipment, better resources and better-trained teachers.

When South Africa's new constitution outlawed discrimination in the schools on the basis of color, black students began attending Afrikaan schools in the hope that they would get a better education.

But because the constitution also guarantees education in the language of one's choice, newly integrated schools were divided to accommodate language differences. Thus, at Vryburg High, 600 students — including 40 blacks and 25 coloreds — attend the Afrikaans language stream, and 180 students — all black — attend the English stream.

The Afrikaans' side of the school has equipment, including science and computer labs and a music room, that the English side does not have. Black students say they are excluded from using this equipment because they are not Afrikaans speakers.

Several black students, who said they were not particularly interested in learning how to shoot, said they also are excluded from using the school's shooting range, which has rifles and handguns for student use.

Mr. Venter denied that the black students are prevented from participating in the labs or the marksmanship exercises.

A spokesman for the national education department, Khume Khangane, expressed surprise about the shooting range and said he had not heard of such amenities at other schools. The presence of a range on school grounds is a telling aspect of the culture here, where firearms are an integral part of rural Afrikaans' lives. But the black students say the range makes them nervous, especially after last month's attack by the white parents.

BRIEFLY

Iran Charges Saudis Harass Pilgrims

TEHRAN — Saudis are harassing Iranian pilgrims in Medina, seizing their prayer books and copies of the Koran, the Islamic holy book, an Iranian official charged Wednesday.

The head of Iran's pilgrimage affairs, Ayatollah Mohammad Mohammadi Reysbahi, accused "suspicious and backward elements" in Medina of insulting Iranians and expelling them from shrines, the official Islamic Republic News Agency reported here.

Ayatollah Reysbahi did not identify these persons, but he was believed to be referring to Saudi Arabia's fundamentalist religious police.

Most Iranians belong to the Shiite sect of Islam, while most Saudis belong to the Sunni sect. Saudi Arabia's fundamentalist government bans the study of Shiite Islam, which it considers inferior.

He said the murder of the Roman Catholic bishop of Oran in 1996.

"It is natural for the courts to do their duty to protect society, but we do not want the death sentence to be carried out," Archbishop Henri Teissier said in an interview on state radio.

"There is a problem with the death sentence, especially since those convicted were not directly responsible for the murder but were accomplices."

Although the death sentence has been handed down frequently as Algeria's government has fought a Muslim insurgency, no executions have taken place in five years. (AP)

Argentine Bill Gains

Buenos Aires — The Chamber of Deputies has voted unanimously to repeal laws that absolved junior and middle-ranking officers who were convicted of human rights abuses in the 1970s.

However, the bill, which must go to the Senate, has only symbolic value, because the officers cannot be ordered to face new trials on the same charges.

The government says 9,000 people disappeared during the "dirty war" on leftists and dissidents from 1976 to 1983. Human-rights groups put the figure at close to 30,000. (AP)

Algiers Prelate Asks Clemency in Killing

ALGIERS — The archbishop of Algiers appealed Wednesday for clemency for seven Islamic militants who have been sentenced to death for

**CLINTON: He Says U.S. Must Share Blame for Rwanda Genocide**

Continued from Page 1

he said nothing, apparently unable to speak. He simply nodded for the next speaker to begin.

The stories, Mr. Clinton said later, showed anew the capacity of people everywhere — not just in Rwanda, and certainly not just in Africa — to slip into pure evil."

While acknowledging that the world had been slow to confront the evil, Mr. Clinton said the problem was one of information.

"All over the world," he told his audience, "there were people like me sitting in offices, day after day after day, who did not fully appreciate the depth and the speed with which you were being engulfed by this unimaginable terror."

But some Rwandans in the audience, as well as some U.S. human-rights activists, said Mr. Clinton was letting his policy off too easily.

The information was there about the volume and the nature of the killings, said Janet Fleischman, an Africa specialist at Human Rights Watch in Washington.

"What was lacking was the political will," she said. "And there is still a question of whether there will be political will in the future."

But she added, "The president obviously deserves credit for going to Rwanda and speaking directly about the genocide."

Human-rights activists, as well as the several hundred Rwandans gathered in an airport conference room to hear Mr. Clinton, applauded his assessment of the origins of the Rwanda genocide. It resulted, he said, not from centuries-old tribal antagonisms but from a deliberate policy pursued by Hutu leaders of inciting their followers to violence.

The original itinerary for Mr. Clinton did not include a Rwanda stop. It was added as administration officials decided that Mr. Clinton, who is devoting most of his trip to halting the positive changes in Africa over the past decade, could not credibly avert his gaze from recent horrors.

The Africa trip over the past couple days has evolved into something of a contrition tour. On Tuesday in Uganda, Mr. Clinton said America wronged Africa by its participation in the slave trade, and by treating African nations as pawns in Cold War rivalry.

But his assessment of Rwanda on Wednesday was different. Mr. Clinton was referring to an episode that occurred during his own tenure.

Secretary of State Madeleine Albright was the first to acknowledge, on a visit to Rwanda in December, that the U.S. administration was slow to publicly declare the Rwanda killings a genocide — a judgment that would have mandated an international intervention.

In the end, U.S. officials did invoke the genocide label and Mr. Clinton ordered a military operation to help victims.

On Wednesday, Mr. Clinton also announced "Great Lakes Justice Initiative" for Rwanda and its neighbors that will funnel \$30 million of U.S. funds to the region to strengthen the rule of law. He pledged \$2 million for a newly created International Genocide Survivors' Fund.

Other Schools Recall Similar Attacks

The Associated Press

NEW YORK — The gunfire that killed four students and a teacher in Arkansas revived memories of earlier attacks at schools in Mississippi, Kentucky and Scotland.

"I have cold chills," said Barbara

McGinty, assistant principal at Heath High in West Paducah, Kentucky, where three girls were killed and five classmates were wounded in December when a student opened fire on a student prayer group.

Gwen Hadley, whose 14-year-old daughter, Nicole, was among those killed at Heath High, said: "We are getting better. But this is something we, or the parents of the victims in Jonesboro, will never get over."

Karen McCuiston, a school district spokeswoman, said: "When I heard the first little bit about it, that was the first thing I said: Maybe we need to call them. We've been there. Any advice we can give, feel free to call us."

The attack Tuesday in Jonesboro, Arkansas, "brings everything back as if it were yesterday," said Charlie Clydesdale, whose 5-year-old daughter, Victoria, was among 16 children killed in a gunman's attack two years ago in Dunblane, Scotland.

"I just wish I could go and give them all a cuddle and tell them it will get easier with time," Mr. Clydesdale said. "Isn't it time the world learned to watch what they are doing with guns? Have any lessons been learned since Dunblane?"

Since then, Britain has adopted some of the world's toughest gun laws, including a complete ban on handguns.

At Pearl, Mississippi, Roy Ballentine,

a principal, said he expected students to send cards and other tokens of sympathy to Jonesboro, just as they responded to the West Paducah shootings.

"When you've gone through something like this and experienced like our students have, it hardens you where you can deal with it more easily," Mr. Ballentine said.

"Nothing seems like a surprise like it used to."

Two Pearl students were killed and seven were wounded at the school in October. A 17-year-old, a former boy friend of one of the girls who died, was charged with murder and also was charged with stabbing his mother to death.

Parents, hearing of the shooting, rushed to the school in horror.

The shots were fired from a grassy rise perched 50 yards from the school, behind a chain-link fence. The police arrived at the school within four minutes and arrested the youths as they ran through the wooded area, apparently toward a white van parked nearby. The authorities said they had determined the identity of the van's owner but would not release it.

The authorities appeared to be discounting early speculation that a third youth had pulled the fire alarm. One witness said the alarm was pulled by one of the suspected shooters, who then ran outside to begin shooting.

"There is not a third suspect being sought," Mr. Ballentine said.

Many people were shocked to learn that the two youths cannot, under Arkansas law, be held beyond their 21st birthdays unless they misbehave in detention. Most are usually turned out the system by age 18, however, because of a lack of facilities. Many states have lowered the age at which a suspect can be tried as an adult, in some cases to 18, 16 or 14.

Arkansas has no law prohibiting minors from possessing shotguns or rifles, although people younger than 21 are barred from having handguns.

The boys in Jonesboro will face no regular trial, but most likely a closed hearing before a judge in a juvenile court. If the judge finds them to be delinquents, he can issue a maximum sentence of detention in a youth center to the age of 21.

Although a recent study found that America's schools are relatively safe, concern has spread over the young age of those who in recent months have opened fire on their classmates at four schools and the seeming sense of cold indifference with which they do so.

Large urban schools had far higher rates of violent crime than smaller rural and suburban schools like the Jonesboro school. One in three of the biggest schools reported serious violent crime, compared with only 4 percent of smaller schools.

ISRAEL: Annan Delivers a Stern Message

Continued from Page 1

himself as "a magician without tricks."

racy Can Wait

As long as these African leaders have a willingness toward democracy and it's America can live with that, U.S. officials said. "In those countries are in some transition," a U.S. government official said. "It's not that we have a standard. It's that we have standards based on history."

Re Blame for Rwanda Genoc

Mr. Clinton said America's role by its participation in the Rwandan War was that of a "good neighbor." His assessment of Rwanda was different. Mr. Clinton was referring to an episode that occurred during his own tenure.

Secretary of State Madeleine Albright recently acknowledged that the Clinton administration was slow to publicize the Rwandan killings a year ago, a decision that would have meant international intervention.

Meanwhile, U.S. officials say the military label, and Mr. Clinton's military operation will not be used. These decisions came in December, after more than a year of debate.

Mr. Clinton

Similar Attack

Arkansas

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THE WORLD'S DAILY NEWSPAPER

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

A Presidency Acclaimed

For Americans accustomed to the idea of a diminished presidency, the sight of Bill Clinton addressing a cheering crowd of half a million people in Ghana and being effusively welcomed in Uganda must seem a wonder. It suggests that the majesty of the American presidency has never been greater even though this president is engulfed by troubles in Washington. For Mr. Clinton, the journey across Africa, and visits that he will soon make to Latin America, Europe and Asia, provide relief from the siege at home.

In Uganda on Tuesday he forthrightly expressed regret for America's role in African slavery. Like Richard Nixon, Ronald Reagan and other men who sought to repair damaged presidencies by going abroad, Mr. Clinton commands a degree of adulation in foreign lands that he cannot match in the United States. The aura of power is enhanced by the resplendent Boeing 747 that now serves as Air Force One, and by a traveling party of some 800 people, including White House aides, security agents, members of Congress, corporate executives and reporters.

But it is not just the presidential airplane and entourage that are larger today. The international symbolism of the presidency is as well. With the end of the Cold War, the collapse of the Soviet Union and the arrival of the electronic age, America plays a greater

—THE NEW YORK TIMES.

Keep After Gadhafi

From the United Nations comes doleful evidence of the sheer endurance required to fight terrorism. It is nearly 10 years since a bomb allegedly planted by Libya's intelligence service blew up Pan Am 103, killing 270 passengers (including 189 Americans) and people on the ground in Lockerbie, Scotland. Since then Moammar Gadhafi has never faltered in his so far successful effort to block the trial of his two operatives accused by the United States and Britain in the crime.

One of his lines of attack is to avoid the trial venue in their own countries, where the U.S. and British governments think a fair trial is most possible. His other line is to escape the economic sanctions that the Security Council voted after the two Libyans were indicted. Here he has sought to convince other formerly colonial-ruled countries that the U.S. purpose is much less to bring the Libyan suspects to justice than to keep all the "Third World" countries down. This argument has an evident "street" appeal.

—THE WASHINGTON POST.

Big Bertelsmann

In a sense, there is no news in the news announced on Monday that Bertelsmann AG will purchase Random House, the preeminent American publishing company. The pending acquisition is business as usual in the publishing world, except, perhaps, for the fact that Bertelsmann is a German media conglomerate.

Bennett Cerf, co-founder of Random House, bought Alfred Knopf in 1960, and in the past 20 years publishing houses have merged and remerged with such profugacity that ordinary readers no longer have any idea from what outlet in the corporate edifice the books they read have been emitted. Even not-so-ordinary readers — writers and editors — lose track, which is not surprising when you consider the bewildering number of companies with which they and their friends have been forced to deal as one publisher devours another.

As it stands, Random House is a cluster of several publishing groups.

—THE NEW YORK TIMES.

Other Comment

Serbs Won't Give Up Kosovo

The main problem that Europeans and Americans and the rest of the international community must understand is the grave danger posed for the whole Balkan peace by the political demands of Albanians for the independence of Kosovo or for a "special republic." This demand is the spiritual and political base for terrorism.

The main obligation of the international community is to force the Albanian political leaders to forget this demand. If they persist, it will provoke another Balkan war because all the Serbs will protect Kosovo. Kosovo is all the Serbs

what Jerusalem is for the Jews. Serbia was born in Kosovo. You will not find one Serb who will give it up. If war breaks out over this issue, the Dayton agreement will be dead within a few hours. There will be war again in Croatia and Bosnia-Herzegovina. Violence will spread to Albania itself, Macedonia and even Bulgaria.

The second obligation of the international community is to press Slobodan Milosevic to solve any problem with the ethnic Albanians at the negotiating table, not the battlefield.

—Vuk Draskovic, an opposition leader in Serbia (Global Viewpoint, Los Angeles Times Syndicate).

Herald Tribune

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The Yeltsin Routine: Reappear and Fire Someone

By Jim Hoagland

WASHINGTON — It is by now a matter of habit: Returning to health and office, Boris Yeltsin reaches out and fires someone to show that he is back and in charge.

No big deal, the White House and the State Department rushed to proclaim this week when he unexpectedly dumped most of his cabinet. That's Boris, Bill Clinton seemed to shrug from Africa. But that's the problem.

There was not a scintilla of national strategy in the wholesale dismissals, only his mood of the moment, and his determination not to go in any one direction for very long.

Russia today is governed by whim. Mr. Yeltsin has converted his admirable democratic re-election as Russia's president two years ago into a shambling, unpredictable autocracy where he functions as a modern czar.

Even those who have worked closely with him since he smashed the Soviet Union at the beginning of this decade cannot predict when and how his next lunch will come.

His most faithful retainer, Prime Minister Viktor Chernomyrdin, seems

to have had little if any warning that he was about to be sacked and denounced on Monday for having done nothing more than carrying out Mr. Yeltsin's episodic, vague orders.

In Washington two weeks ago for his semiannual political checkup with Al Gore, Mr. Chernomyrdin seemed more firmly in the saddle than at any time since his embarrassing showing as leader of the pro-government party in the 1995 Duma elections.

The recent word from Moscow was that some of the key figures in the financial oligarchy that will control the flow of campaign funds for the presidential election in 2000 had moved into Mr. Chernomyrdin's camp. He seemed to be gaining the upper hand in the quiet but intense struggle for influence with Anatoli Chubais, the abrasive economic theorist who floats in and out of Mr. Yeltsin's favor.

These developments may have been factors in the government shake-up. Mr. Yeltsin has a pattern of knocking

down any political ally who seems to be acquiring an independent base.

Mr. Chernomyrdin's once unparalleled skills at self-effacement had slipped recently. At a Washington press conference with Mr. Gore, he obliquely but unmistakably endorsed the U.S. position that a favorable vote by the Duma on the START-2 treaty on nuclear weapons had to precede a Clinton-Yeltsin meeting this year, contradicting Foreign Minister Yevgeni Primakov's no-linkage position.

Or Mr. Yeltsin may simply have tired of refereeing Chernomyrdin vs. Chubais, and dispensed with both to get a little peace. In Boris Yeltsin's Russia, it could be that simple.

Such abrupt changes undermine consistency and continuity in policy. The changes may, in fact, be designed to perpetuate the status quo of corruption, confusion and conspiracy that dominates Russia's struggling economy.

Mr. Yeltsin says Mr. Chernomyrdin failed by not paying off the months of back salaries owed to Russian workers. But he also ordered the prime minister to keep inflation low and the IMF

loans coming. Those priorities required withholding the salaries.

Boris Yeltsin and his entourage are incapable of creating any other structures than those they learned as old-party bureaucrats," said Alexander Lebed, the popular retired army general who was briefly a Yeltsin ally. "Personal loyalty is the only criterion."

General Lebed, currently a candidate in the governor's race in Krasnoyarsk and preparing to run for president in 2000, visited Washington on March 19. Mr. Yeltsin will run for another term despite his poor health and failing judgment, General Lebed predicted then.

The disowning of his government and its record reinforces the view that Mr. Yeltsin is maneuvering to protect himself, not Russia. But it is time for him to perform one last heroic service. He should renounce any ambition for a third term, and devote himself to developing not just a successor but a stable political and economic system to carry on what he began.

He should institutionalize democracy, not himself and his whims.

The Washington Post

The West May Have to Let Indonesia Learn by Failure

By Gerald Segal

LONDON — As East Asia's economic crisis drags on, it becomes clear that there is not so much one crisis as several increasingly distinct crises.

In the first few months there was an Asian contagion — a single process in which neighbors caught the financial flu in part because confidence was lost in another country. But as aid packages have been organized and domestic reforms have begun, the communicability of disease has lessened.

In one important respect there is a serious risk of continuing Asian contagion — the moral hazard of bailing out a recalcitrant Indonesia and thereby undermining the rigor of other aid and reform packages.

Thailand and South Korea have only begun their reforms, and tougher times lie ahead.

Now is not the moment to begin thinking that there are easy ways out of these crises.

In continuing to assume an Asian disease which feels that it can avoid real reform, the risk is that other Asians will demand similarly lax terms, and international capital may drift back to an unstable Indonesia.

The time may not be far off when Indonesia should be left to go its own way and have to contemplate the dire consequences of economic failure.

There are good reasons to try hard to help Indonesia down the road of economic and political reform. This dominant power in Southeast Asia can make a serious mess of its region if it collapses. Worries about mass migration in the millions may

be overstated, at least for the time being, but all of Indonesia's neighbors have real reason to worry about an uncontrolled flow of refugees.

There is good reason to worry that serious economic failure would lead to anti-Chinese riots.

Leaving Indonesia to stew in its own juices also risks breaking a tacit compact between the pluralist capitalist states of the West and the emerging middle classes of Indonesia. The West has a duty to stand by these forces, which in the end offer the best prospect for creating a more open and prosperous Indonesia and Southeast Asia.

For these good reasons, there has been a remarkable diplomatic effort to persuade Presi-

dent Suharto to take his IMF medicine and engage in serious reforms. The constant and correct message has been that there is no gain without pain.

But such diplomacy may be having the opposite effect. Mr. Suharto seems to read such solicitous attention as permission to avoid the tough IMF conditions intended to bring about economic and political reform.

He has assumed that the West will not let him fall, and so he can get what he wants. Hence the flirtation with a currency board, the appointment of an enemy of reform as vice president, and the selection of a cabinet designed to run reform into the sand.

The point is rapidly approaching when the IMF and the West will have to withdraw assistance — a tactic that is being gingerly explored as the

IMF continues to negotiate possible changes in terms and withholds a tranche of aid.

Prolonged failure to ensure Indonesia's compliance with tough reforms would raise serious risks. Other Asians will demand less conditionality for their aid. Western banks will in effect be failed out for ill-considered decisions about lending to Indonesia, and thus be encouraged to be foolish in the future.

The day may be coming when the West will need to be tough on Indonesia in order to be kind to the rest of East Asia.

The writer is director of studies at the International Institute for Strategic Studies and director of Britain's Pacific Asia Programme. He contributed this comment to the International Herald Tribune.

Listen to Kosovo's Demaci on Confederation Compromise

By Dusko Doder

WASHINGTON — As Western diplomats seek ideas to deal with the explosive Kosovo crisis, they should pay attention to the voice of an emerging ethnic Albanian politician in that unhappy province, Adem Demaci. He is known as Kosovo's Nelson Mandela.

Mr. Demaci, 62, spent 29 years in Yugoslav jails for "nationalist agitation," "hostile propaganda" and related crimes. A painstaking documenter of human rights abuses, he was awarded the 1993 Andrei Sakharov prize by the European Parliament in Strasbourg. He is also a novelist.

He may be the politician most in tune with his people, offering the best way to prevent another Bosnia-style eruption of violence.

At the very least, we should

listen to his voice of reason and compromise. Mr. Demaci, who entered politics two years ago, is most radical in not demanding independence. He does, of course, dream of it, but he is a realist. He knows that the international community does not favor any border changes or a secession. His compromise solution is a confederation of three equal entities — Serbia, Montenegro and Kosovo.

That would first mean Serbia restoring the autonomy and self-rule that were taken away by the Serbian dictator Slobodan Milosevic in 1989.

It is a radical departure from the course advocated by Ibrahim Rugova, 53, the Kosovo Albanians' leader — a course that has left many ethnic Albanians frus-

trated, particularly the young, who make up a large percentage of those involved in the violence of recent days.

Mr. Rugova, also a writer, with a doctorate in literature, emerged as Kosovo's leader in 1989, when Mr. Milosevic liquidated Kosovo's political and cultural autonomy and imposed direct police rule. He is a passionate believer in passive, Gandhi-style nonviolence.

Under his direction, ethnic Albanians went underground. They created a parallel state, holding underground elections, setting up their own schools and hospitals, collecting taxes. And they practiced nonviolent disobedience.

It has been a remarkable ex-

ercise in disciplined civic re-

sistance. But it has taken its toll on people's psyches. Many young people see no future, nowhere to go, a restricted life in a self-created prison, one they would like to break out of.

Mr. Rugova's objective, Kosovo's independence, has remained elusive. It has been like a person going on hunger strike, suffering, and nobody taking any notice. Foreign nations including the United States are not prepared at this point for an attempt to redraw the map of the Balkans. That could light a fuse touching off a host of nationalist uprisings.

One key concern is the future of neighboring Macedonia, a weak new country with a large Albanian minority who also like their freedom.

The emergence of the sepa-

ratist Kosovo Liberation Army, which has attacked Serbian police, has captured the imagination of the young. Unlike Mr. Rugova, Mr. Demaci has endorsed these attacks as justified.

He may be the best figure to forge a new approach, if he can win the backing of his people. Outside attention would help him to do that.

No advocate of violence himself, he has denounced Mr. Rugova's passivity and inflexible ethnic nationalism. This policy, he said, is the source of all our political failures." Mr. Rugova, although respected, is an increasingly isolated figure.

Mr. Demaci's confederation idea offers new possibilities for creative diplomacy. It would increase Washington's leverage on Mr. Milosevic, who remains not prepared at this point for an attempt to redraw the map of the Balkans. The dictator could not use the threat of Kosovo secession to whip up nationalist support.

The confederal arrangement would most likely be acceptable to a majority of Serbs — particularly since they still would be able to visit their shrines and monasteries, which are scattered throughout Kosovo. They consider the province the cradle of their civilization, even though they now make up less than 10 percent of the population there.

Above all, the emergence of a genuine nationalist figure with a flexible political program, which does not involve a breakup of country, would strengthen those who believe that Mr. Milosevic should be forced to restore political and human rights in Kosovo.

When might permissiveness start to crumble and meaningful standards begin to re-group? Say, at 45 percent in the Gallup Poll and 4,500 on the Dow Jones industrial average.

Los Angeles Times

ture. But this is part of what it is time to start thinking about.

If the Dow Jones stays up above 8,500, the odds are good that Mr. Clinton's job numbers will stay in the 50 to 60 percent range, even if he takes a few economic and moral blows.

March's Dowtrometer reading is as frightening as the merger statistics, the personal debt levels and the extent to which middle-class Americans are no longer concerned about the rich getting too much and the poor too little. It's ginned, ginned.

When might permissiveness start to crumble and meaningful standards begin to regroup? Say, at 45 percent in the Gallup Poll and 4,500 on the Dow Jones industrial average.

Los Angeles Times

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Maine Inquiry

WASHINGTON — The Maine Board of Inquiry finds that the explosion was from the outside. It does not fix responsibility for the explosion nor does it express any opinion as to the character of the explosive agent, but the testimony adduced goes to show that it was a powerful submarine mine.

There were two explosions, the first of which was from the outside of the vessel, and that caused one of the smaller magazines to blow up.

The norm, of course, is for Republicans to talk about lost

Mr. Harry Kemp, itinerant poet and novelist, led the Bohemians in their march. The originators of the demonstration, who aimed to point out that the "joie de vivre" is a dying art in America, met with complete success.

By Alan Trusc

TribTech

To Telecom Industry's Delight, Mobile Phones Are Talk of Finland's Towns

By Barry James
International Herald Tribune**H**elsinki — For a people reputed to be taciturn, the Finns are doing a lot of talking these days — on mobile phones.

To a greater extent than anywhere else in the world, they have incorporated the portable telephone, the computer and the Internet into their daily lives.

And it isn't just business people. On the street, retirees, teenagers and children stride along with phones glued to

their ears. They use the phones not only to talk but also to send and receive short text messages, some of which are pre-programmed, like: "Send one pizza quattrostagione."

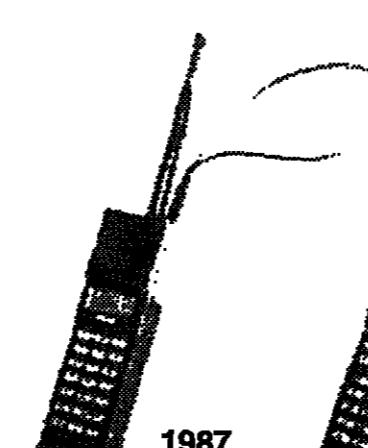
"We Finns have a reputation of being very quiet, yet when you come to town and see half the people talking to themselves everywhere, you begin to wonder.

What makes the Finns so wired up and switched on?

One answer is a fair dose of deregulation and competition in the telecommunications field, making phone rates low by European standards. Matti Makkonen, a vice president at Telecom Finland, said lower cost was a reason Finns have more than four times as many mobile phones per capita as Germans.

But other countries, like the United States, have competitive telecommunications markets without being so hooked on cell phones.

"I think the popularity of portable phones is because we Finns are fanatical about engineering," said Timo Aikainen, a professor of philosophy at Helsinki University. "We are a nation of engineers, but we are not so good at marketing and advertising."

**Personal Technology**
During the past fifteen years the size and weight of mobile phones have dramatically diminished while new features have been introduced

Once a real product was available, the demand was immediate, Mr. Aikainen said. In fact, the first bulky phones flew out of stores so fast that the Nokia Group, then an industrial conglomerate that made anything from rubber galoshes to electrical cables, decided to concentrate on making mobile phones and the associated infrastructure.

Last year, Nokia supplied more than 20 percent of the global market for phones and equipment, ringing up a net

Portable phones and computers, he said, appeal to the Finns' sense of efficiency and love of gizmos.

It helped that Finland was one of the countries that developed the Nordic Mobile Telephone service, which opened in 1981, becoming the world's first cellular network to span several countries.

BACK then, businessmen proudly lugged \$5,000, 10-kilogram, 1982 vintage Mobira Senator "portable" phones. Fellow Finns, Mr. Aikainen said, saw them as "glamorous."

Nokia soon spotted a practical reason for buying a phone, even at those heady prices. In summer and during weekends, they like to escape to country cottages and boats, and go hiking or cross-country skiing. Having a phone meant they could leave their desks but stay in touch — and it was often cheaper than having a fixed phone line strung to a country cabin.

The consumers are driving this market," said Jyoti Laine, a senior Nokia executive. "They are forcing even the monopolies to behave like private companies." He said the company's main challenge was to keep ahead of the consumers, giving them what they need at the right time.

The Finns' fascination with technol-

ogy shows no sign of abating. According to Telecom Finland's figures, 425 in every 1,000 Finns own a mobile phone — the highest market penetration in the world, followed by Norway and Sweden.

Nokia, meanwhile, has played a leading role in the development of the digital Global System for Mobile Communications, or GSM, the common cell-phone standard in Europe and much of Asia.

Much of the industry recently adopted a new common standard, partly based on Nokia technology, that will become the norm for the next generation of digital mobile phones in Europe and Asia around the turn of the century.

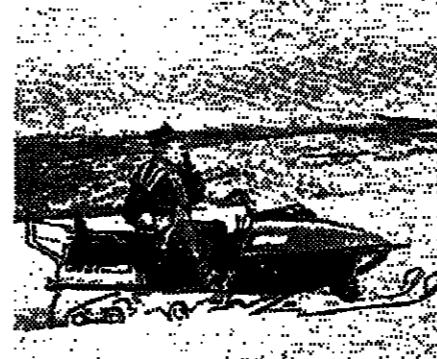
If the United States also adopts the standard, it means people will be able to use their portable phones almost anywhere in the world to talk, receive e-mail, surf the Internet and receive full or full-motion video pictures, perhaps creating a new market for videophones.

And you can bet the Finns will snap them up, too.

SITES

Related sites on the Internet:
A country-by-country breakdown of telecommunications statistics from the Organization for Economic Cooperation and Development is at:

• www.oecd.org/ohcmy/english/



Using a Nokia cell phone in Lapland.

profit of 6.2 billion markkaa (\$1.12 billion) on sales of 52.6 billion markkaa, showing that it had managed to master marketing as well as engineering.

Although its phones are ubiquitous here, Nokia still gets only 5 percent of revenue from the Finnish market. With a small population at home, Nokia had to create markets and set up factories abroad, which it did in Germany, Korea, China and the United States. Its 36,000-member staff has doubled in the past three years, about half of them Finns.

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THURSDAY, MARCH 26, 1998

PAGE 11

Japan Tries a New Corporate Culture

Fujitsu and Matsushita Adopt Western-Style Management Changes

Compiled by Our Staff From Dixons Inc.

TOKYO — Two of Japan's industrial flagships have announced Western-style management changes that illustrate how deeply the concepts of accountability have infiltrated the Japanese business establishment.

Fujitsu Ltd., Japan's largest computer maker, said Wednesday it would switch to merit-based pay and promotions, becoming the nation's first manufacturer to entirely abandon the traditional Japanese seniority system.

Matsushita Electric Industrial Co., one of Japan's most conservatively run corporations, said Tuesday it would repurchase shares, introduce a stock option plan for senior executives and directors, link managers' salaries to the performance of its stock and streamline its board room.

"Steps like that are hopefully marking a beginning of change from the Japanese style of capitalism to one that's more Western- and shareholder-oriented," said Clifford Shaw, president of Mercury Asset Management Japan Ltd., a subsidiary of Merrill Lynch & Co. "It's a straw in the wind, but it's a promising one."

Several Japanese companies have adopted a merit-based system for some workers or managers, but Fujitsu is one of the few to scrap seniority pay altogether.

Another is trading giant Mitsui & Co., which said last week it would start paying employees based on ability.

Fujitsu said it would begin eval-

uating all 47,000 of its employees in October, and the new payment system would start the following April.

"We're doing this to boost morale and productivity," said Mike Belair, a company spokesman. "We're after an incentive system."

Matsushita, which makes Panasonic electronic appliances, said it would spend as much as 100 billion yen (\$768 million) to repurchase shares for

"We're doing this to boost morale and productivity."

one year after its annual shareholders meeting in June, assuming shareholders' approval.

The company's stock buyback plan was coupled with moves to improve the effectiveness of its board room and more closely align management's interests with shareholders.

Stock options are still sharply debated in Japan, where some executives consider it bad form to accept what is essentially a reward for good performance that carries no punishment should performance decline.

Japanese also regard the remuneration standards of American executives as obscenely extravagant.

Although Toyota Motor Corp., Orix Corp., Advantest and Komatsu Ltd. also have option plans, few others have

followed suit. Matsushita said it would allocate the options to board members and senior executives in quantities ranging from 2,000 to 10,000 common shares, not a particularly large amount by American standards.

Executives would be allowed to purchase as many as 150,000 common shares in this manner or 400 million yen worth, whichever level is reached first.

Matsushita also plans to establish a group management committee of 10 to 12 people that would make recommendations to the board to help accelerate decision-making.

Matsushita said it would also establish a group of outside advisers to provide broader perspective.

Orix Corp., widely regarded as one

of the more progressive Japanese companies, has instituted a similar system.

Sony Corp. has gone farthest in re-vamping its board, slicing it to 10

directors from 38 and promising to add three outsiders.

Matsushita's shares rose on the buy-back announcement. They closed up 100 yen at 2,000 on the Tokyo Stock Exchange. But Fujitsu's share price fell 1,270.

Matsushita said the changes were meant to "place increasing emphasis on shareholder interests, management transparency and management resource efficiency, in light of the company's expanding global operations and a changing corporate environment."

(Bloomberg, NYT)



VW's chief, Ferdinand Piech, presenting the "New Beetle" on Wednesday before the annual press conference.

VW Has Big Plans in Bid for Rolls

By John Schmid
International Herald Tribune

WOLFSBURG, Germany — Volkswagen AG claimed the lead Wednesday over potential bidders to acquire Rolls-Royce Motor Cars Ltd. of Britain as part of the German carmaker's determination to press ahead with one of Europe's most ambitious corporate expansions.

Sketching for the first time a comprehensive outlook for the company's future, Ferdinand Piech, VW's chairman, said he wanted to crank up annual vehicle production to 6 million by 2000, compared with record output last year of 4.29 million vehicles, itself an increase from 1996 output of 3.98 million.

The millennium growth projection does not include any

additional vehicle sales from a potential Rolls-Royce acquisition or from a planned entry by VW into the heavy-truck market.

Already leading the biggest carmaker in Europe and the fourth-largest in the world, Mr. Piech said he wanted VW to rank among the three biggest, an elite group now made up of General Motors Corp., Ford Motor Co. and Toyota Motor Corp.

As part of the race to crack the highest end of the market, Mr. Piech said he had submitted a concrete takeover offer for Rolls-Royce, the illustrious and coveted British carmaker.

A decision on Rolls-Royce could be made by the end of

See VW, Page 13

MIT Professor, a Lonely Doubter of 'Asian Miracle' in '94, Now Counsels, 'Buy'

By Philip Segal
International Herald Tribune

HONG KONG — Paul Krugman, the influential economist who once stood alone in debunking the "Asian miracle," now says the region's markets have hit their low and that it is time to buy stocks, particularly those in Indonesia.

While Asia's near-term future may remain murky, "what I believe is that Asia is cheap," Mr. Krugman said during a conference here put on by Credit Suisse First Boston.

"We're where Mexico was in 1996," he said, adding that Asian stock markets had "bottomed out."

Mr. Krugman is not ordinarily an investment guru, but his thoughts on anything to do with Asian economics have been intensely sought after, especially since the regional economic crisis began last July.

A professor at the Massachusetts Institute of Technology, he shot to worldwide prominence in 1994, when at the height of the euphoria in world markets over the economic prospects of Asia, he published an article in Foreign Affairs titled "The Myth of Asia's Miracle."

In it, he contended that East Asia's annual growth rates of 8 percent or more were not sustainable because they had arisen less from gains in efficiency than

from increasing amounts of money pouring into the region.

When that money reversed direction and flooded out of Asia beginning last July, growth rates in the region plunged, in large part vindicating Mr. Krugman.

Now, economists and analysts in Asia are also increasingly speaking Mr. Krugman's language, which stresses the efficiency of money invested.

For example, asked to identify the biggest mistake Malaysia had made ahead of the economic crisis, the head of the country's Institute of Strategic and International Studies, Noordin Sopie, said, "We didn't look carefully enough at reliance on investment on tradable

goods." Malaysia should have spent less money on large infrastructure projects that earned little foreign exchange, and more on such dollar or yen earners as tourist promotion, he said.

Mr. Krugman said Wednesday that his top investment pick was in Indonesian companies that earn foreign exchange by exporting commodities. "It's like buying dollars, except you can buy the dollars for about 20 cents," he said.

While granting that Indonesia stood some chance of disintegrating through ethnic violence, he said this was unlikely and that investing in the country was still worth the risk, given "a productive real economy, with abundant natural re-

sources, inexpensive yet reasonably efficient labor and huge potential."

With some Indonesian companies selling at 10 percent of what they would without the crisis, Mr. Krugman said he had already invested in Indonesia on the theory that "a 900 percent return is worth taking on even a 1-in-10 chance of losing everything."

Indonesian stocks have rallied lately since the country gave firm indications that it would not adopt a currency-board system, which would have pegged the Indonesian rupiah to the U.S. dollar.

The peg system has been advocated by another American economics professor, Steve Hanke, who is a special

adviser to President Suharto.

Mr. Hanke came in for strong criticism from Mr. Krugman, who referred to "economic snake-oil salesmen" in Indonesia and called Mr. Hanke's advisory role in Jakarta "one of the odder episodes in economic history."

At that point, Mr. Hanke left the conference hall and was unavailable for comment.

Mr. Krugman also had harsh words for himself, admitting that he had failed to foresee the extent of the economic damage that would be done in the crisis.

"I was 90 percent wrong about Asia's future," he said. "The only consolation is that everyone else was 150 percent wrong."

Supersonic Jet Tested

Igor Shevchuk, near right, head of Russia's Tupolev plane company, and Robert Spitzer, a Boeing Co. executive, in Moscow on Wednesday announcing the completion of a testing program for a supersonic jet that the U.S. and Russian collaborators say could set the standard for the 21st century.

The new jet, the Tu-144LL, above, made a total of 19 test flights, starting in November 1996, from the Zhukovsky air base near Moscow. The plane flew at Mach 2, or twice the speed of sound, and tested the aerodynamic, acoustic, thermal and structural effects of supersonic flight.

"There is no other plane like it in the world," Mr. Shevchuk said.

Russian and U.S. officials said there were no firm plans to build the plane, but the research helped to lay the groundwork for such a project.



Dmitri Kostylev/Reuters

CURRENCY & INTEREST RATES

Cross Rates		March 25								Libid-Libor Rates		March 25		
5	6, D.M.	F.F.	LM	DR	8,5	15	15	CS	1200	Dollar	D-Mark	Swiss	ECU	
Amsterdam	1,055	1,127	0,983	1,077	12,03	1,055	1,379	1,297	14,702	24,475	290 - 315	75% - 79%	34 - 39	
Brussels	1,013	1,043	1,015	1,025	1,084	1,013	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Frankfurt	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
London (10)	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Madrid	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Milan	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
New York (2)	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Paris	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Tokyo	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Zurich	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Yen	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Other Dollar	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Forward Rates	30-day	60-day	90-day	Currency	30-day	60-day	90-day							
London	1,018	1,048	1,022	1,032	1,067	1,018	1,220	1,497	1,292	1,177	290 - 315	75% - 79%	34 - 39	
Paris	1,018	1,048	1,022	1,032	1,0									

ASIA/PACIFIC

Indonesia Expects New IMF Plan to Focus on Rupiah

By Keith B. Richburg
Washington Post Service

JAKARTA—Officials said Wednesday that they expected to unveil as early as next week an economic reform package—Indonesia's third in less than five months—that they hope will not only stabilize the volatile banking sector through restructuring and tackle the thorny problem of massive private-sector debt.

The previous two plans, forced on Indonesia by the International Monetary Fund as the price for a multi-billion-dollar bailout, failed to restore investor confidence and resulted in further debilitating plunges for the rupiah. The new plan would make bolstering the currency a primary objective and place somewhat less emphasis on IMF-mandated changes to immediately abolish monopolies run by President Suharto's family members and political cronies.

"I expect it to be done by next week," Fuad Bawazier, the finance minister, said. "This time we are going to the till. I want to understand the ideas of the IMF. But I want also

to make sure the IMF understands the concerns of Indonesia."

The first two plans were criticized because they failed to address the problem of private debt, estimated at around \$7.4 billion. The new plan probably will include a mechanism similar to that of the Mexican bailout, officials said, in which companies with dollar-denominated debt can go to a central government facility for foreign currency while foreign banks agree to roll over the debt for perhaps two or three years.

Ten of Japan's biggest banks agreed to allow Indonesian companies to delay for as long as six months the repayment of the principal on their loans, Bloomberg News reported from Tokyo.

Under the plan, Bank Indonesia, the central bank, would subsidize the exchange rate for companies with foreign debts, an executive at one of the Japanese banks said. Interest payments would still have to be made.

Japanese banks make up the largest group of creditors to Indonesian companies, with more than \$23 billion of loans outstanding.]

In reopening talks with the IMF,

Indonesian officials have made it clear that they expect their concerns — mainly restoring strength to the rupiah — to be given the highest priority and that longer-term concerns of the international community, such as dismantling monopolies, might have to wait.

'Different priorities are now being discussed.'

"If we have a short-term problem, then we want to solve the short-term problem," Mr. Bawazier said. "If you assure us everything will be all right once we solve the long-term thing, then I think we will be in difficult situation."

"It seems to me now they would like to pay attention to these problems equally, rather than just emphasizing the long-term problems."

Since the first two plans were signed, political uncertainty in Indonesia has largely subsided, with Mr. Suharto appointed to a new five-year term and a cabinet in place that

appears more nationalistic, more loyal to the president and more willing to stand up to international pressure than its predecessor. Western-educated technocrats largely dominate the present cabinet.

"We are not an isolated nation," Mr. Bawazier said. "We are not an isolated government. We try to be responsive to international opinion. But being a democratic country, we also have to listen to our own people."

The finance minister described the atmosphere in talks with the IMF as "quite friendly" and said the two sides were negotiating on basically an equal footing. "not like a doctor and a patient," he said. The IMF negotiators in Indonesia had been "very flexible" in taking into consideration Jakarta's priorities.

"In the beginning," Miranda Goelton, managing director of Bank Indonesia, said of the IMF talks, "maybe they had their own point of view about the various points, and we had our point of view. You may say that different priorities are now being discussed."

Mr. Bawazier and Miss Goelton said Jakarta had dropped the idea of

setting up a currency board that would peg the rupiah to the dollar and was looking at other ways of helping the currency, including allowing it to float within a restricted band or using limited government intervention, such as manipulating interest rates, to support the new level.

Miss Goelton called this idea "smart managed floating," adding, "Whatever exchange-rate management policy we choose, it has to be very credible, it has to be very consistent, and it has to be very powerful in sending a message to the market."

Both officials separately said any move to help the rupiah would have to be accompanied by a major restructuring of the banking system to instill confidence in the economy. They said a sweeping banking restructuring plan would be unveiled when the new IMF package was announced next week.

The rupiah gained Wednesday, with the dollar falling to 8,600 rupiah in New York from 8,750 rupiah Tuesday. It has improved markedly since last week, when the dollar hovered around 10,000 rupiah.

Investor's Asia

Source: Telekurs
International Herald Tribune

Very briefly:

- South Korea plans to begin a promotion campaign this week to sell \$3 billion of bonds, its first dollar-denominated bond issue. The issues are expected to have interest rates slightly higher than the rates Seoul has agreed to pay on \$24 billion in short-term debt rolled over by foreign lenders this year.
- Chrysler International Corp. raised its stake in its Japanese sales subsidiary to 100 percent from 70 percent, buying the stake from its former joint-venture partner, J. Osawa & Co.
- Japanese home electronics sales, an indicator of consumer spending, fell 9.3 percent in February from a year earlier, to 15.8 billion yen (\$1.2 billion), as sliding housing starts and worries about jobs and wages hurt sales.
- Goldman, Sachs & Co. hired Walter Mondale, former U.S. vice president and former ambassador to Japan, as its senior Japan adviser.

AFP, AP, Bloomberg

Low-Cost PCs Power Acer's Profit

Bloomberg News

TAIPEI—Acer Inc. said Wednesday that its fourth-quarter profit more than doubled and forecast that 1998 earnings would rise 47 percent, reflecting rising sales of personal computers costing less than \$1,000.

Net profit rose to 2.03 billion Taiwan dollars (\$62.2 million) in the fourth quarter, from 840 million dollars a year earlier. Acer, the world's eighth-largest maker of personal computers, also said it expected profit to rise to 5.5 billion dollars this year. It fell short of its own forecast in 1997 and 1996.

Taiwanese-made PCs typically cost as much as 15 percent less than those made in the United States, and U.S. companies are increasingly buying from the island's companies.



ALL ABOARD — A train car being loaded Wednesday in France on a ship to South Korea, where it will be used in a high-speed train linking Seoul to Pusan, being built by GEC-Alsthom.

Singapore Exchange Weighs Brokerless On-Line Trading

The Associated Press

SINGAPORE — Singapore's stock exchange is considering a world first: allowing small investors to trade on the Internet, bypassing brokerage firms.

Elsewhere, investors who trade on the Internet type in their orders and send them to on-line brokerage services, which then execute the transactions for a fee.

Singapore's largest newspaper, The Straits Times, quoted anonymous sources Wednesday as saying the system will go into effect by the end of the year. A stock market spokesman confirmed it was considering the move but added: "Nothing is confirmed."

"The exchange's system will also enable investors to subscribe on-line for initial public offering shares and rights issues," the paper said. The Internet trades would be limited to 50,000 Singapore dollars (\$31,100)

a day and would have to be executed immediately at prevailing market rates, the paper reported.

"There are still several issues to be ironed out," said Peter Cheah, a spokesman for the stock exchange. The idea is at an exploratory stage, he said.

Brokerage houses were unhappy about the idea, saying it would make Singapore the first stock exchange in the world to compete against its own members. Brokers charge 1 percent commission on small trades under the current system.

Singapore is a high-tech society where the government encourages the use of computers for everything from filing tax returns to meeting a prospective spouse. In general, the use of more technology in share trading is viewed as inevitable and welcome in the financial community, but the immediate reaction to Internet stock trading was negative.

Hanoi Upholds Power-Plant Deal

The Associated Press

HANOI—Prime Minister Phan Van Khai has said that a power-plant project awarded to a consortium led by Sumitomo Corp. of Japan will go ahead as planned despite allegations of improprieties in bidding for the contract.

In Tokyo on Wednesday, Sumitomo denied that irregularities had occurred in the bidding.

Mr. Khai said Tuesday that the contract for the Pha Lai II power plant, awarded March 17, was valid and that the government would do nothing to change it.

Questions about the \$125-million project, funded by the Over-

seas Economic Cooperation Fund of Japan, surfaced Friday when Nhan Dan, the Communist Party daily, published an interview with former President Le Du Anh.

"The bidding process was not usual," he said, "and as a result diminished the competitiveness between bidders and the opportunity to choose a partner who could offer optimal technology, reasonable prices and the best warranty service."

The Sumitomo spokesman responded: "We made our bid and won the contract in accordance with OECD guidelines. There were no irregularities."

Continued from Page 11

Business School and Massachusetts Institute of Technology graduates. Firefly makes "agent" software that helps people and businesses learn about each other. The company's chief executive, Nick Grouf, and his staff, now 70 strong, log well over 100,000 miles (160,000 kilometers) a year going back and forth to Silicon Valley but have no plans to move.

There are also Seachange International Inc., a cable TV software company; Lycos, an Internet "search engine" firm; and such Internet service providers as ZipLink, which lets people tap into the network from portage devices.

"We bridge the wireless world with the Internet," said Ronald Lipof, ZipLink's

director of strategic alliances and business development. Symbolically speaking, ZipLink bridges two eras as well: Its offices in Lowell occupy two floors of what used to be the Wang headquarters tower.

Route 128's former behemoths were slow to recognize that technology was changing and were crippled by their conservatism, said Edson DeCastro, a founder and longtime chief executive of Data General. Likewise, he said, the old-guard companies were hurt by their unwillingness to take risks and reinvent themselves.

In the mid-1960s, Digital pioneered the technology that would define Route 128 for almost two decades. Its "minicomputers"—a hazily defined genre of machines that were smaller and cheaper than mainframe computers—became the pre-

vailing information technology system of the 1970s until they were supplanted by personal computers in the 1980s.

"Route 128 is a classic example of how business dominance can breed lethargy," said Mr. DeCastro, who left Digital with a group of co-workers to start Data General in a beauty parlor in Hudson, Massachusetts, in 1969. By comparison with Silicon Valley, Mr. DeCastro said, Route 128 high-tech companies were less nimble and wedged, content to operate within their established computing environments and unwilling to accept that the technology marketplace was changing fast.

"We refused to believe that any new platform" such as personal computers "was better than what we had," said Mr. DeCastro, who led Data General for 22

years before he was forced out by the board in 1991. In its scaled-down form today, it makes servers and storage systems and provides services.

Now 59, Mr. DeCastro was immortalized in "Soul of a New Machine," Tracy Kidder's best-selling book on Data General engineers who broke the rules to build a better minicomputer than Digital's.

But he knows his legacy is also steeped in failure to recognize the personal computer revolution until it was too late.

The Boston big companies "were killed by our inability to move into the modern era of computing," Mr. DeCastro said. "You'd be hard-pressed to think of a major computing company in this part of the country that has made this transition with great success."

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NASDAQ

Wednesday's 4 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press

The Associated Press.

NYSE

Wednesday's 4 P.M. Close

(Continued)

(Continued)												
12 Month	High	Low	Stock	Div	Yld	PE	100% High	Stg	Low	Latest	Chg	
11/26 10% Nu-SMM	410	5.3			9	137	119%	112%	112%	112%	-1%	
14/26 14% NuStar	98	6.2			513	16	159%	159%	159%	159%	-1%	
16/24 12% NSTF	90	5.7			8	176	159%	159%	159%	159%	-1%	
16 14% NSTF	97	5.7			412	154	154%	154%	154%	154%	-1%	
15/24 13% NSTF	83	5.5			307	155	154%	154%	154%	154%	-1%	
17/24 14% NVPAT	82	5.0			119	16	154%	154%	154%	154%	-1%	
4/24 18% OEA	331	1.8			12	1266	18%	18%	18%	18%	-1%	
57/40 4% OGE Engt	226	4.7			1	557	85%	564	564	564	-1%	
13% 4% OHM Crp	45	25	OMG Corp	34	8	24	319	42%	314	12%	-1%	
14/9 7% OMU	102	8			9	36	31%	31%	31%	31%	-1%	
35 18% Oaklunds	1	25			1461	1	334%	334%	334%	334%	-1%	
14/9 8% Oakley	404	1			1683	117%	117%	114%	114%	114%	-1%	
4/24 16% Oakwood	04	1			1456	40%	399%	399%	399%	399%	-1%	
25/21 10% OAS/PSd	1.81	0.3	OAS/PSd	14	460	22	214%	214%	214%	214%	-1%	
30/24 214% Occidental	0.0	3.4	OCCP	1	20	20	20%	20%	20%	20%	-1%	
70/74 14% Octagon	1	2			1915	54	52%	52%	52%	52%	-1%	
22/14 14% OctagonEdg	1	2			193%	19%	19%	19%	19%	19%	-1%	
20/24 12% OctagonEdg	1	2			226	23%	23%	23%	23%	23%	-1%	
20/24 12% OctagonEdg	1	2			236	23%	23%	23%	23%	23%	-1%	
25/24 12% OctagonEdg	1	2			30	4673	0.2%	28%	28%	28%	-1%	
18/4 11% Officemax	1	2			20303	0.8%	178%	178%	178%	178%	-1%	
20/24 19% Odgen	1.25	4.5	Ogden	19	2242	28%	27%	27%	27%	27%	-1%	
45/4 24% OdgenRep	52	12	OdgenRep	14	1888	45%	44%	44%	44%	44%	-1%	
51/16 36% Old	1.20	25	Old	16	848	49%	47%	47%	47%	47%	-1%	
23 13% Olsen	28	12			128	17%	16%	16%	16%	16%	-1%	
40% 20% OmegaHill	2.58	4.7	OmegaHill	2	230	20%	20%	20%	20%	20%	-1%	
37/44 22% OmegaHill	0.2	5.2	OmegaHill	3	163	38%	38%	38%	38%	38%	-1%	
46/4 23% OmegaHill	0.5	1.1	OmegaHill	3	170	45%	45%	45%	45%	45%	-1%	
41/4 26% OmegaHill	0.8	2.4	OmegaHill	18	692	38%	37%	37%	37%	37%	-1%	
31/24 10% OmegaHill	0.6	1.4	OmegaHill	18	197	29%	29%	29%	29%	29%	-1%	
44/4 25% ONEOK	1.23	2.8	ONEOK	20	230	20%	20%	20%	20%	20%	-1%	
10/4 19% OPPMS	2.4	0.2	OPPMS	1	369	45%	45%	45%	45%	45%	-1%	
40/4 30% OPPMS	2.53	5.8	OPPMS	1	125	44%	44%	44%	44%	44%	-1%	
24% 15% OPPMS	1	2	OPPMS	1	574	54%	54%	54%	54%	54%	-1%	
29/4 15% OPPMS	5.6	2.3	OPPMS	1	144	54%	54%	54%	54%	54%	-1%	
30/16 15% OPPMS	4.0	1.0	OPPMS	1	21	318	34%	34%	34%	34%	-1%	
52/24 14% Oppm/Co	0.44	1.2	Oppm/Co	13	13	537	53%	52%	52%	52%	-1%	
22/4 11% Orthodon	1	2	Orthodon	1	163	16%	16%	16%	16%	16%	-1%	
30/4 17% Orx	1	2	Orx	1	3422	27%	26%	26%	26%	26%	-1%	
32/4 10% Outdoors	0	2	Outdoors	1	32	32%	32%	32%	32%	32%	-1%	
26/4 16% Outship	4.6	2.8	Outship	4	402	400%	22%	21%	21%	21%	-1%	
19/4 19% Outswell	0.1	1.1	Outswell	1	775	18%	18%	18%	18%	18%	-1%	
45 27% Outwest	0.1	1.1	Outwest	1	1246	46%	45%	45%	45%	45%	-1%	
46/4 23% Outwest	0.9	3.0	Outwest	1	564	35%	35%	35%	35%	35%	-1%	
30/4 23% Oxford	0.9	2.6	Oxford	11	27	317%	30%	30%	30%	30%	-1%	
P-G-E												
25/4 18% PECO	1.00	4.6	PECO	15	5792	22	21%	21%	21%	21%	-1%	
53 57% PECO/Co	4.0	6.5	PECO/Co	17	7100	68%	68%	68%	68%	68%	-1%	
23/9 22% PG&E Co	1.37	3.9	PG&E Co	19	9996	20%	20%	20%	20%	20%	-1%	
18/16 11% PG&E Co	0.1	1.3	PG&E Co	19	1721	10%	10%	10%	10%	10%	-1%	
4/24 17% PG&E Co	0.1	1.3	PG&E Co	19	1680	10%	10%	10%	10%	10%	-1%	
47/4 27% PNC	1.54	2.4	PNC	18	557	60%	59%	59%	59%	59%	-1%	
47/45 27% PNC	1.67	7.2	PNC	13	2321	25%	23%	23%	23%	23%	-1%	
21/4 20% PaciCorp	1.36	2.0	PaciCorp	17	2031	68%	68%	68%	68%	68%	-1%	
40/4 25% PaciCorp	0.55	2.7	PaciCorp	14	1903	24%	23%	23%	23%	23%	-1%	
42/4 25% PaciCorp	1.52	3.8	PaciCorp	18	1831	40%	40%	40%	40%	40%	-1%	
24/4 25% PaciCorp	1.68	7.4	PaciCorp	14	736	22	22%	22%	22%	22%	-1%	
27/4 24% PaciCorp	2.13	8.0	PaciCorp	18	152	26%	26%	26%	26%	26%	-1%	
27/4 19% PaciCorp	1.04	4.4	PaciCorp	11	4038	24%	24%	24%	24%	24%	-1%	
26/4 24% PaciCorp	2.05	8.8	PaciCorp	11	287	24%	24%	24%	24%	24%	-1%	
42/4 18% PacificWest	5.40	13	PacificWest	16	150	64%	41%	41%	41%	41%	-1%	
7 3/4 PacificWest	0.19	1.0	PacificWest	16	100	40%	40%	40%	40%	40%	-1%	
25/20 11% PacificWest	0.19	1.0	PacificWest	16	3145	10%	10%	10%	10%	10%	-1%	
30/4 10% PacificWest	0.19	1.0	PacificWest	16	45	200%	200%	200%	200%	200%	-1%	
40/4 25% PacificWest	0.24	1.0	PacificWest	16	205	22%	22%	22%	22%	22%	-1%	
8/4 20% Parcels	0	4	Parcels	1	552	44%	44%	44%	44%	44%	-1%	
21/4 16% ParagonH	0.61	1.9	ParagonH	1	681	19%	19%	19%	19%	19%	-1%	
23/4 4% ParagonTr	0.1	1.4	ParagonTr	1	199	54%	54%	54%	54%	54%	-1%	
23/4 21% Parke	0.13	1.2	Parke	1	349	25%	25%	25%	25%	25%	-1%	
17/4 7% ParkDr	1	32	ParkDr	1	9783	10%	10%	10%	10%	10%	-1%	
52 27% ParkH	0.40	1.2	ParkH	1	3145	20%	21%	21%	21%	21%	-1%	
25 21% Parkway	1.40	4.5	Parkway	13	418	38%	38%	38%	38%	38%	-1%	
30/4 30% Parkwest	0.85	1.8	Parkwest	18	1322	40%	40%	40%	40%	40%	-1%	
26/4 24% Parkwest	0.85	2.4	Parkwest	18	2869	65%	65%	65%	65%	65%	-1%	
24/4 24% Parkwest	0.85	2.4	Parkwest	18	2231	22%	22%	22%	22%	22%	-1%	
30/4 24% Parkwest	0.85	2.4	Parkwest	18	563	22%	22%	22%	22%	22%	-1%	
21/4 13% Parkwest	0.85	2.4	Parkwest	18	31	1079	20%	20%	20%	20%	20%	-1%
21/4 13% Parkwest	0.85	2.4	Parkwest	18	120	70%	69%	69%	69%	69%	-1%	
34/4 11% Paycom	0	1	Paycom	1	57	109%	108%	108%	108%	108%	-1%	
20/4 26% Pedigree	0	1	Pedigree	1	24	100%	45%	45%	45%	45%	-1%	
32/4 214% PennEnt	1.20	4.8	PennEnt	1	119	21%	21%	21%	21%	21%	-1%	
10/4 10% PennEnt	0	1	PennEnt	1	908	49%	41%	41%	41%	41%	-1%	
31/4 26% PennEnt	0.39	3.1	PennEnt	1	25	262	27%	26%	26%	26%	-1%	
40/4 27% PennEnt	0.27	2.0	PennEnt	1	11	2321	20%	20%	20%	20%	-1%	
9/4 13% PennEnt	1.37	5.2	PennEnt	1	1457	65%	64%	64%	64%	64%	-1%	
27/4 44% Penney	3.18	35	Penney	17	647	74%	73%	73%	73%	73%	-1%	
27/4 29% Penney	1.81	7.5	Penney	17	288	25%	25%	25%	25%	25%	-1%	
27/4 29% Penney	1.81	7.5	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
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27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
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27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	110	25%	25%	25%	25%	25%	-1%	
27/4 23.00% Penney	0.10	4.0	Penney	17	288	30%	30%	30%	30%	30%	-1%	

12 Month High	Low	Stock	Div Yld	PE	SIs				SIs				SIs				SIs											
					100%	High	Low	Latest	Chg%	100%	High	Low	Latest	Chg%	100%	High	Low	Latest	Chg%	100%	High	Low	Latest	Chg%				
2744 6%	PhilaHly	-	20	843	111	105%	11%	-1%	-10%	2384	100%	108%	108%	+2%	229	229	230%	231%	+1%	2201 7%	Teatron	1.14	1.5	24	3201	77	77	+1%
2044 2%	Plumb's	-	19	142	42%	41%	41%	+1%	-1%	595	25%	57%	56%	-1%	21	21	21	21	-1%	2266 2%	Teatot	1.97	1.5	24	277	252	252	+1%
1779 10%	PlaybR	-	19	107	17%	17%	17%	+1%	-1%	595	25%	57%	56%	-1%	21	21	21	21	-1%	139 3%	ThotC	1.3	1.5	24	130	57	57	+1%
149% 8%	PlaybPd	-	49	535	14%	14%	14%	+1%	-1%	1441	30%	32%	33%	+1%	21	21	21	21	-1%	20 5	Thot	2.23	2.5	24	105	94	94	+1%
36 26%	PlumCrs	2.20	64	19	475	33%	32%	33%	+1%	22	20	20	20	-1%	21	21	21	21	-1%	189 11%	ThotC	1.26	1.5	24	677	402	399	+1%
28 17%	PoBeBn	5.40	12	23	36	36%	35%	35%	+1%	20	20	20	20	-1%	21	21	21	21	-1%	208 1%	ThotC	1.12	1.5	24	307	405	399	+1%
45% 24%	PogdPd	.12	4	30	1218	32%	31%	32%	+1%	20	18	18	18	-1%	21	21	21	21	-1%	208 1%	ThotC	1.12	1.5	24	1415	308	308	+1%
35% 21%	Pohang	.17	9	20	20	19%	19%	19%	+1%	20	18	18	18	-1%	21	21	21	21	-1%	93 5%	Thot	1.3	1.5	24	506	305	305	+1%
35% 21%	Polsan	.72	19	15	36	37%	36%	37%	+1%	20	19	19	19	-1%	21	21	21	21	-1%	402 4%	ThotC	1.26	1.5	24	120	154	154	+1%
80 8%	PolyC	.60	13	102	40%	44%	45%	45%	+1%	20	16	17	17	+1%	21	21	21	21	+1%	386 2%	ThotC	1.26	1.5	24	474	305	305	+1%
31% 21%	PolyG	.50	10	14	14	14%	14%	14%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	1211	41	45	+1%
63% 9%	PolyH	.50	10	14	14	14%	14%	14%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
25% 16%	Ponc	.68	.2	25	14	19%	25%	25%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
22% 14%	PopeF	.56	.2	25	14	19%	14%	14%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
21% 14%	Portu	4.13	18	20	20	20%	21%	21%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
21% 14%	PostP	2.40	.1	20	20	20%	20%	20%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
24% 23%	PostPc	1.93	.1	20	19	19%	19%	19%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
77% 71%	PostPc	.71	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
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50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
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50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
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50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
50% 28%	PostPc	.52	.1	20	17	17%	17%	17%	+1%	20	16	16	16	-1%	21	21	21	21	-1%	316 11%	ThotC	1.26	1.5	24	101	104	104	+1%
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INTERNATIONAL Herald Tribune

SPORTS

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THURSDAY, MARCH 26, 1998

WORLD ROUNDUP

Replay Fails Again

FOOTBALL In an action replay of votes at the last six National Football League annual meetings, owners voted down an attempt to bring back instant replay Wednesday. The vote was 21 to 9 for replay, two short of the 23 needed.

Replay was in effect from 1986 to 1991, but was dropped in 1992. Each year since, it has been brought up and voted down.

• The New England Patriots declined to match the New York Jets' \$36 million contract offer to the running back Curtis Martin. The Patriots will receive a first-round and third-round pick in return.

• Sean Gilbert, who sat out last season in a dispute with the Washington Redskins, has agreed to a contract with the Carolina Panthers that would make him the NFL's highest-paid defensive lineman.

The six-year, \$40 million deal is contingent on the Panthers working out a compensation package with the Redskins. (AP)

Warne Grabs Record

CRICKET Sachin Tendulkar was not out on 117 at the close of play Wednesday as India reached 290 for four wickets on the first day of the third and final test against Australia in Bangalore. Shane Warne of Australia became the most successful spin bowler in test history when he bowled Rahul Dravid. It was Warne's 310th wicket and broke a tie with Lance Gibbs, the former West Indian bowler, on 309.

• Michael Atherton, who has captained England a record 52 times in tests, quit Tuesday, immediately after his team lost its last seven wickets for only 26 runs to lose the sixth test against West Indies by an innings and 52 runs. West Indies won the series, 3-1.

Atherton said he would remain with the England squad for the five one-day matches against West Indies and fight for his place as a batsman. (Reuters)

French Goalie Falters

SOCCER A third-minute blunder by Lionel Letizi, the French reserve goalkeeper, handed Russia victory in a friendly in Moscow on Wednesday. Letizi, who plays for Metz, replaced Fabien Barthez, who was hurt in training on Monday. Letizi hesitated on a back pass, and Sergei Yuran darted in to dispossess him and scored from close range.

It was the first defeat for France since it lost to England last June. It was also France's first away game in 14 months. Russia has not qualified for the World Cup. (Reuters)

Trade Frenzy Grips NHL

ICE HOCKEY National Hockey League teams made a record 19 trades involving 38 players and 14 draft picks on Tuesday, the final day before the league's trading deadline. Last year, there were 18 deals and 35 players at the deadline. In all, 21 of the league's 26 teams made moves. (AP)

Serena Williams Falls In Battle With Hingis

Next Up: A Semifinal With Venus Williams

The Associated Press

KEY BISCAYNE, Florida — Serena Williams battled Martina Hingis for two hours before losing in a third-set tiebreaker.

Now it's her sister Venus's turn.

Hingis will try to complete a sweep of the sisters Thursday in the semifinals at the Lipton Championships. Hingis, ranked No. 1 in the world, needed some help from a trainer to beat Serena Williams, 6-3, 1-6, 7-6 (7-4), and faces a quarterfinal date Thursday against Jeff Tarango, who upset the sixth-ranked Yevgeni Kafelnikov, 3-6, 6-3, 6-2.

Venus Williams, who watched Hingis defeat her sister, advanced by beating Silvia Farina, 6-1, 6-2.

Even in defeat, Serena, 16, served notice that she's ready to join Venus, 17, as a challenger to Hingis, also 17.

"They have such a different game," said Hingis, who beat Venus in the final of last year's U.S. Open. "They both are dangerous. Venus has a better serve and hits the ball much harder. Serena is more controlled and has a better mind, but Venus is very confident."

Hingis overcame cramps in both legs, a 5-3 deficit in the third set and two match points to outlast Serena.

Serving to save the match, Hingis appeared exhausted, but she won the game to trail, 5-4. Then she made a dubious request for a trainer, complaining of leg cramps, and received three minutes of treatment.

"I think she was very nervous, so she called the trainer to get some time, get some coaching," Serena Williams said.

"If you watch her matches, there's a pattern in that. If I was tired, I probably would have called for a trainer, too."

Hingis said her legs hurt, but she also confessed to gamesmanship.

"Everybody could think that," she said. "I guess there are little games. Everybody's playing games."

The strategy worked: Hingis won the next two games for a 6-5 lead.

Williams regrouped and held serve to force the tiebreaker, but she lost the last three points, including the final two on

unforced errors — a forehand long and an overhead pulled wide on match point.

"I think I tried too hard on a couple of shots," she said.

In men's fourth-round play, No. 2-ranked Petr Korda squandered his chance to overtake No. 1 Pete Sampras in the rankings next week by losing to Tim Henman, 6-4, 6-4. Sampras was eliminated Monday by Wayne Ferreira.

Andre Agassi beat Albert Costa, 7-6 (7-5), 4-6, 6-1, and faces a quarterfinal date Thursday against Jeff Tarango, who upset the sixth-ranked Yevgeni Kafelnikov, 3-6, 6-3, 6-2.

"Not bad," Agassi said. "I'm still in the event."

Steve Campbell, a 27-year-old journeyman from Detroit, became the first qualifier in Lipton history to reach the men's quarterfinals by beating Ferreira, 6-1 (3-7), 6-2, 7-5. Thirteenth-ranked Marcelo Rios, who would become No. 1 if he wins the tournament, beat Goran Ivanisevic, 6-2, 6-3.

Serena Williams was a giggling, charming youngster after her earlier matches, but defeat transformed her into a sullen teen. She bristled when asked about rallying so successfully from the match with Hingis.

"A lot of people think that black people can't rally, and just think they're athletes and can't think," she said. "As you can see, that's not true. I can rally. Venus can rally."

With Venus watching from the players' seats, her sister shook off a slow start while Hingis became erratic and frustrated. When Hingis lost her serve to fall behind, 2-1, in the third set, she flung her racket. It skidded 40 feet into the base of the umpire's chair as the crowd of 10,000 jeered.

Hingis then rediscovered the groove in her groundstrokes, and Williams came up one point short in the first match between the two teens.

"I was pretty nervous," Hingis said. "She's going to be a tough opponent in the future."



Jacques Demarle/Agence France-Press

FIT FOR THE JOB — Soccer referees from around the world, led by Pierluigi Collina of Italy, No. 10, running round a track in Paris on Wednesday in a test of their physical suitability for the World Cup. Sixty-seven referees and linesmen, selected for the competition, were gathered in France for two days of preparation.

U.K. Warns the World Cup Ticketless

Compiled by Our Staff From Dispatches

LONDON — Britain unveiled a £1 million campaign on Wednesday aimed at deterring ticketless soccer fans from traveling to France for the World Cup.

Jack Straw, the home secretary, presented two television advertisements, one featuring an English fan and the other a Scot, both in full fan's regalia, who are shown being turned away from a match after trying to get in with a ticket bought on the black market and stamped with the name "Jean Pierre Baptiste."

"We cannot stop people from traveling," he said. "We cannot guarantee there will be no trouble. All we can do is continue with the advice."

The British and French police are sharing intelligence on known hooligans, and British soccer intelligence officers who know potential troublemakers by sight will be present at games.

More than 20 suspected English hooligans were barred from entering Switzerland for a match in Bern on Wednesday between England and Switzerland, the British police said.

admitted that tickets sold to British fans would not carry the buyer's name.

Straw also repeated his "anxiety" that huge television screens erected outside the arenas would be "magnets" for hooligans and fans without tickets.

"We cannot stop people from traveling," he said. "We cannot guarantee there will be no trouble. All we can do is continue with the advice."

The British and French police are sharing intelligence on known hooligans, and British soccer intelligence officers who know potential troublemakers by sight will be present at games.

Early Wednesday morning, meanwhile, the police in Sunderland, England, arrested 29 men on charges they allegedly conspired to cause disorder at soccer grounds across the country over the last three seasons, a police spokesman said.



Venus Williams chasing a volley from Silvia Farina in their quarterfinal.

CROSSWORD



© New York Times/Edited by Will Shortz

Solution to Puzzle of March 25

BRIDAL **ARMOIRE** **SETH** **SMITH** **NEA** **ASP** **ACH** **NOSIR** **BIER** **RHODA** **USS** **WENDY** **GEORGERSHWIN** **ORDAIN** **OLDIES** **PLACID** **DOMINGO** **CHGEE** **ADO** **AXIOM** **LEAD** **STAFF** **TSE** **ELI** **SAC** **FATE** **GENEWIR** **RIDGED** **NOTABLE** **ELNINO** **ANOMALY** **STANDS**

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BASKETBALL

NBA STANDINGS

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SPORTS



PLAY BALL — Tony Graffanino, an infielder for the Atlanta Braves, signing autographs before a spring training game in Florida against the Detroit Tigers.

Orioles Already in First Place But in Payroll: \$74.3 Million

By Mark Maske
Washington Post Service

PORT LAUDERDALE, Florida — The Baltimore Orioles will begin the coming baseball season with the largest player payroll in major league history at just over \$74.3 million, according to figures compiled by the sport's team owners. Three other major league clubs — the Atlanta Braves, Boston Red Sox and New York Yankees — also have surpassed the \$70 million mark.

The Braves will open the 1998 season with a payroll of \$71.6 million, followed by the Red Sox at \$71.3 million and the Yankees — who had the largest payroll last season at just under \$68.3 million — at nearly \$70.6 million.

The Montreal Expos will have the sport's smallest payroll at \$16 million. The Pittsburgh Pirates will have the second-smallest payroll at \$24.4 million.

The payrolls are calculated by the Player Relations Committee, the owners' labor-ne-

gotiating arm. The totals include salaries for all players on a team's 40-man roster and benefits. The Orioles will pay \$69.1 million in salaries and nearly \$5.2 million in benefits this year.

■ Clear and Present Danger

The National Football League would prefer that the novelist Tom Clancy divest himself of his 24 percent minority interest in the Orioles to comply with league rules to avoid any conflict of interest in his bid to buy the Minnesota Vikings, the Washington Post reported from Florida.

Clancy, who recently made a successful \$205 million bid to buy the Vikings, still must have his purchase approved by a three-fourths majority of NFL owners.

League rules require that an owner not be involved in another pro sports franchise if there is an NFL team in the same city, though it has made exceptions in the past. The NFL Ravens play in Baltimore.

In the past few years, however, the major leagues are finally getting a

Washington Post Service
FOR a dozen days this month, four ball players had been in a tunnel near the Cuban coast, waiting for the right moment of good weather to flee into the ocean in a 19-foot boat. Disguised and concealed, their danger of discovery was so great that they dared not even speak to each other.

The players were trying to re-take control of their lives. But they needed a good jump and a lucky break. If they bolted into the sea, only to meet storms, they might die. If they were not spotted by some boat, they might starve. In fact, as they hid, waiting to make their escape, many in Cuba assumed they had already drowned.

Finally, on Friday, Jorge Luis Toca, Angel Lopez, Michael Jova and Jorge Diaz made their dash. After 17 hours, a 33-foot Bahamian fishing boat named "Justice" discovered the ballplayers.

Now, the four players — with a Cuban pitching coach and four other people who fled on the same boat — are being held in the Bahamas in a detention center behind a chain-link fence. Cuba wants them back, but Fidel Castro might not get them.

In December, the Bahamas let several Cuban players who had fled by boat seek asylum in Costa Rica. One of them was Orlando (El Duque) Hernandez, the older brother of the most valuable player in last season's World Series, Livan Hernandez. Now El Duque, a legend in his prime in Cuba, is a New York Yankee — with a \$6.6 million, four-year contract.

Cuba has been baseball's Lost Gold Mine for 36 years. When Castro took power in 1959, when the vein of rich Cuban ore — glittering players such as Tony Perez, Minnie Minoso, Camilo Pascual, Tony Oliva, Luis Tiant and Mike Cuellar — was closed. For a third of a century, generations of fabulous Cuban players were denied a chance to show their talent — and be rewarded for it — outside the narrow stage of international amateur baseball.

The big leagues will never get to see

Wilfredo Sanchez, who won six Cuban batting titles in the '70s. He hit like Rod Carew, but with 20-home power. Victor Mesa, the hotdogging home run hitter, is just an aging legend now.

glimpse of what they've missed: four pitchers who defected from the Cuban national team in 1995-96 are all in the majors now, including Livan Hernandez and the promising Roelando Arrojo of Tampa Bay.

"There's so much talent in Cuba,"

said Pat Gillick, general manager of the Baltimore Orioles. "The Dominican Republic has produced 89 major leaguers from a population of 8 million. Cuba has 11 million people and just as strong a passion for baseball."

"Plus, Cuba has all that Russian-based training for their top young athletes," meaning sports academy training. "They get better nutrition and coaching at an early age. Potentially, I'd guess there are 100 major league players in Cuba, including the young players you could develop."

NO ONE has done more in the past 30 years to bring Latin American players to the majors than Gillick.

"We could be interested in one or two of those guys," he said, even though none of the players — who were removed from the Cuban national team last summer because of officials suspected they planned to defect — was on the Cuban A team.

"When Cuba leaves a young player behind, sometimes that means you're good. If they don't have a hostage or two in your family, they leave you home to keep you from defecting."

Gillick has held several generations of great Cuban players hostage. The price a country pays to a dictator is so large that it's hard to grasp. But if we shrink our focus to the field of baseball, we can think of the stiffer lives and stunted careers.

The big leagues will never get to see Wilfredo Sanchez, who won six Cuban batting titles in the '70s. He hit like Rod Carew, but with 20-home power. Victor Mesa, the hotdogging home run hitter, is just an aging legend now.

blow a few months after you've seen them. That's because they aren't really part of the baseball world.

Only after they get banned from Cuban baseball for life, then risk their lives in open boats on the ocean, do they come back into focus for us. At the moment, it's Orlando Hernandez who has every eye in Florida. The Yanks think he'll be in their rotation in a few months.

"When I saw him work out, he and most of the other Cuban players were out of shape," said the Orioles' assistant general manager, Kevin Malone. "Of course, if we were starving and finally got a chance to eat well, I might gain a few pounds, too."

As expansion diluted talent, how far world baseball's standard of play has fallen if farsighted executives such as Gillick had not gone searching for talent outside the United States.

Now, baseball imports players from halfway around the world — Japan, South Korea and Australia, for example. But in the past few years, the game has begun to rediscover its great lost deposit of stars — 90 miles from home.

Someday, perhaps, they won't have to reach the big leagues by setting out to sea.

Minnesota and Penn State Make Final

The Associated Press

NEW YORK — The Big Ten conference has no teams in the NCAA Final Four, but Minnesota and Penn State will play in the final

NIT

of the National Invitation Tournament on Thursday. The Gophers beat the Fresno State, 91-89, in overtime Tuesday. The Nittany Lions advanced to their first basketball championship game with a 66-60 victory over Georgia.

The Nittany Lions will have a little added pressure. During a late timeout with Penn State ahead, 55-54, the public address system in Madison Square Garden gave the result of the women's NIT final, in which Penn State beat Baylor.

The Penn State contingent erupted into chants of "We are Penn State!" Although the guys wouldn't admit it, they seemed inspired, outscoring Georgia, 11-6, in the last 3:42. "Really?" said Calvin Booth, Penn State's center. "I didn't hear that. I guess we have to win now."

SCOREBOARD

BASEBALL

EXHIBITION BASEBALL

TURKEY BISCUITS

TORONTO 8, TAMPA BAY 6

DDET 4, ATLANTA 3

KANSAS CITY 15, HOUSTON 6

NEW YORK 9, SAN FRANCISCO 1

TORONTO 9, CHICAGO 1

BOSTON 8, PHILADELPHIA 1

FLORIDA 6, ST. LOUIS 4

MONTREAL 6, LOS ANGELES 1

SEATTLE 7, ANAHEIM 1

DETROIT 8, COLORADO 7

ATLANTA 4, CHICAGO WHITE SOX 3

SAN DIEGO 6, SAN FRANCISCO 4

COLORADO 8, MILWAUKEE 5

MONTREAL 6, PITTSBURGH 5

NEW YORK YANKEES 15, CLEVELAND 8

TORONTO 8, BOSTON 6

BALTIMORE 8, PORTLAND 6

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ART BUCHWALD

Subpoena El Niño!

WASHINGTON — "Do you always have to write about the Lewinsky affair? I'm getting tired of it," thus wrote Haley Breene Huxley the other day.

I replied by telling her that she was right, and instead of dealing with an infamous scandal, I would talk about El Niño — the most important story of the year.

El Niño first came to the public's attention when it blew through the Whitewater housing development in Arkansas. This bankrupted a bank outside Little Rock and half of a law firm.

The governor of Arkansas, whose concern was with acts of God, called in several deputy sheriffs, who had dealt with El Niño disasters before.

Famous Horrors To Go on Display

Agence France-Presse

London — Frankenstein's eyeballs and Dracula's fangs are among 500 relics of British horror films bought by a Bradford, England, museum with a lottery grant.

Many of the items were used by Peter Cushing and Christopher Lee in Hammer horror films from the 1950s to 1970s, among them a gruesome mask worn by Lee in the "Curse of Frankenstein" in 1957 and the fangs he wore to play Dracula in 1958.

The Museum of Photography, Film and Television in Bradford bought the collection with a grant of £95,000 (\$160,000) from proceeds of the national lottery.



He also called in a flood damage expert named Paula Jones to discuss what could be done to turn El Niño in a different direction.

Unfortunately, they met alone in a hotel, and Paula said El Niño was hardly discussed.

Then the governor was elected president, and a special prosecutor was appointed to find out why there was so much warm water in the Pacific Ocean.

At this point in time, a White House intern, who had majored in freezing weather, told her best friend that she and the president spent all the time talking about El Niño.

The friend taped everything the intern said, including the reports of a weird storm system over Alaska.

She took her tapes to the special prosecutor, who was trying to find out how much water El Niño was dumping on Los Angeles.

But the prosecutor needed confirmation before he could charge the president with lying about the high tides and misdemeanors.

Apparently one other woman knew about the president's role because she had gone to see him about a job.

When she raised the question about the cold masses of air coming into Canada and meeting the warm winds from El Niño, the president grabbed her and said, "The country salutes you." It was "60 Minutes'" finest hour.

The question now is, has El Niño hurt the president? His pollsters say it hasn't. His job is to make sure the weather does no harm to the people.

And if he does it right, no one can impeach him.

The Vanishing Western Heritage of Shanghai

By Chris Poynter

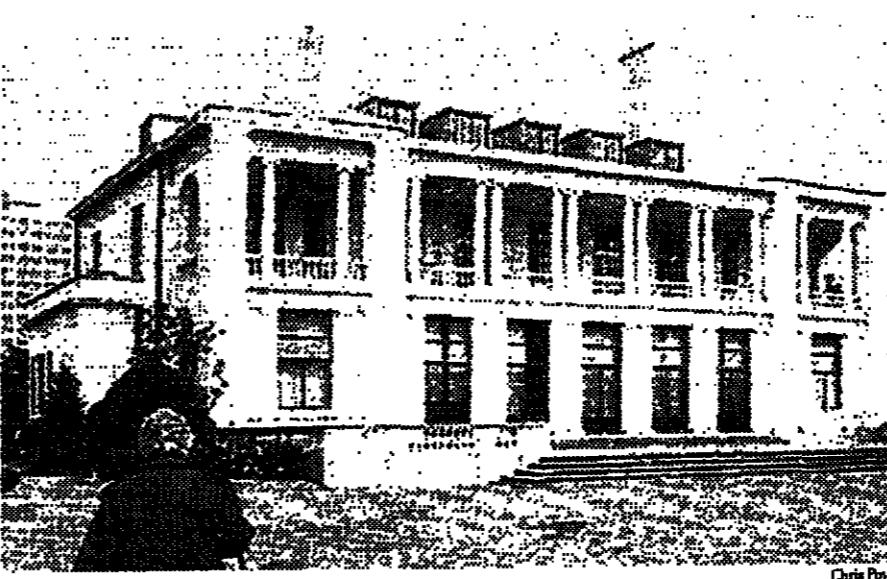
SHANGHAI — Tess Johnston is standing on a street corner in Shanghai scanning a photocopy of a 1930s map of the city as maroon taxis whiz past, blowing her silver hair in all directions and curling the edges of the crinkled paper.

"I wonder if it's still there," she said, pointing to a small alley across the way, where, according to the map, a cluster of French-style villas was built by foreigners earlier this century. "I bet they've torn it down. I bet they have."

and dividing single-family homes into housing for 10, 20 or even 30 families.

The city is once again bustling with foreign investment and rebuilding itself into a cultural, artistic and business and trade center. Local people like to boast, true or not, that one-eighth of the world's cranes are working in the city day and night. Johnston isn't impressed, however, and she certainly doesn't mince words about what she thinks of the new buildings: "Ugly, ugly, ugly. I definitely like the past. It's that simple."

She isn't the only who feels a legacy is slipping away. "It's really a pity what is happening in Shanghai," says



Tess Johnston at a mansion in central Shanghai built by a British importer.

Liu Bingkun, a Shanghai native who joins Johnston twice a week to wander around the French Concession discovering what is left.

Liu, who is writing his thesis on old architecture, said that while other countries have preservation movements, China tends to destroy its past to signal a change in government.

"It's a tradition," he says. "When Mao Zedong took power he burned most of Beijing except for the Forbidden City. Many of the old structures were also made of wood. That's why China has 5,000 years of history but few buildings to show it."

On an unusually sunny and clear winter morning, Liu and Johnston visited several houses that belonged to a British businessman who spent the 1930s importing and exporting everything from opium to clothing. The estate is being turned into a housing complex. Some of the old structures remain, such as a red brick building that has a plastic "Budweiser" awning sticking out of its side.

Johnston paused at one building to marvel at an original stained-glass window. Seconds later, she noticed that the

front door had been replaced by glass with a frosted floral design. "This building is very unique, very nice," she says. "Then they have to put this trash here."

Her fascination with China's old architecture began when she arrived here in the early 1980s to work for the U.S. Consulate General. The native of Charlottesville, Virginia, had already served in diplomatic posts in Vietnam, Paris and Laos and other places across the globe — tours of duty that taught her to speak both German and Chinese with a southern drawl that she never lost. "I said, 'Look at all this. I've got to read about it.' But there was zero, zip, not a single book about Western architecture in Shanghai."

Johnston eventually went to work in Paris, but she longed to return to Shanghai, and in 1989 — while other diplomats were wary of coming to China in light of the massacre of demonstrators near Tiananmen Square — she got her chance.

On her second Shanghai round, she met Erh, a former photographer for a Chinese government magazine, and their project to document Shanghai began. It quickly expanded to include all of China.

Johnston retired from the diplomatic life in 1996 and is spending her last two years in Shanghai finishing what she started.

Her partnership with Erh has been a perfect fit. He grew up in the 1960s during the Cultural Revolution — a turbulent 10 years when religion was prohibited, art was destroyed and schools were closed. His family lived in the French Concession and he spent his days exploring the neighborhood. At 7 he discovered the beauty of the architecture, he says, and his passion to save it was planted.

"It's pretty terrible for a society to have a blank in part of its history, where everything is new and modern," he said. "Many Shanghai people like what is happening in the city now with all the progress and new buildings. But it's meaningful for them to know the past, too."

When he's not working with Johnston, Erh travels to other parts of China photographing architecture. He also traverses the globe learning how other countries preserve their historic buildings, and he plans a series of photo exhibitions later this year.

He hopes to change attitudes, but he'll have to change them fast. As Johnston pointed out, construction companies can destroy buildings about as fast as she and Erh can document them.

All is not lost, though. A few years ago, Shanghai city officials designated about 250 buildings as protected sites. For Johnston, though, the victories will come in the future. "Maybe people will look at our books one day and say: 'So that's what China looked like. I wonder who Tess Johnston and Deko Erh were.'"

Chris Poynter is an American journalist living in China.

PEOPLE



Award winner Penelope Fitzgerald.

IN a year when seemingly every major U.S. writer was attempting the great American novel, the National Book Critics Circle gave top honors to a British author. In a surprise choice, the Circle gave *Penelope Fitzgerald* its 21st annual fiction prize. The 81-year-old Fitzgerald, cited for the historical novel "The Blue Flower," became eligible this year when the NBCC voted to allow non-U.S. citizens to compete. Fitzgerald's competition included some of the most acclaimed American fiction of 1997: "American Pastoral," by Philip Roth; "Underworld," by Don DeLillo, and "Cold Mountain," by Charles Frazier, which was both an unexpected best-seller and the winner last fall of the National Book Award.

Fitzgerald, a critic for decades, was in her 60s before she started publishing fiction. Several of her books have been nominated for Britain's Booker Prize and "Offshore" won it in 1979. The Peruvian writer Mario Vargas Llosa received the criticism prize for "Making Waves," and James Tobin, author of "Ernie Pyle's War: America's Eye-

witness to World War II," won for biography and autobiography. The general nonfiction prize went to Anne Fadiman for "The Spirit Catches You and You Fall Down," and Charles Wright's "Black Zodiac" was the poetry winner. . . . Charlotte Bacon has been named this year's winner of the Hemingway Foundation/PEN Award, given annually for a distinguished first book of fiction, for "A Private State." The award was established by Mary Hemingway, a member of PEN.

Gene Autry, the singing cowboy who brought major league baseball to Anaheim, California, is getting a bronze statue in his honor at his California Angels' stadium. The statue depicts him wearing a bolo tie and cowboy boots and carrying a Steinbrenner — as a businessman after he retired from making movies. Autry, 90, brought the Angels to the then new stadium in 1966.

British family organizations and a film

industry watchdog have protested British censors' decision to clear Adrian Lyne's film version of Vladimir Nabokov's novel "Lolita" for release nationwide in May. The British Board of Film Classification was accused of glamorizing and normalizing pedophilia, and the family groups say the clearance is a possible violation of the Protection of Children Act. The film, which stars Jeremy Irons and Dominique Swain, tells of a man's obsession with a girl. It is restricted to viewers over 18. The film has not found a distributor in the United States.

A collection of letters, manuscripts and other documents stretching across seven centuries and including items associated with Stan Laurel, George Gershwin, Ernest Hemingway, Napoleon, Thomas Edison and Shirley Temple is going under the auctioneer's hammer at Sotheby's in London on Tuesday. The collection was compiled by the filmmaker George Pan Cosmatos, best known for "Rambo: First Blood II." Cosmatos said he began collecting 30 years ago when friends gave him a book signed by the director Frank Capra, but decided to sell after the death of his wife.

Earl Spencer, brother of the late Diana, Princess of Wales, visited a workshop in Phnom Penh on Wednesday, where some of the country's thousands of land mine victims receive artificial limbs. Diana wanted to visit Cambodia last year as part of her crusade against land mines but was unable to because of security concerns. "I feel I would have performed some unwritten obligation to Diana by coming here," Spencer said.

Salman Rushdie is expected in the city of Tromsø, Norway, this weekend to accept an honorary doctorate. The university will also honor Rushdie's Norwegian-language publisher, William Nygaard, who was shot and wounded in Oslo in 1992 after he published Rushdie's "The Satanic Verses."

"Titanic" Music: The Sequel, Already

Reuters

LOS ANGELES — Hollywood plans to have the Oscar-winning music of "Titanic," including its hit single, "My Heart Will Go On," live on and on, with a sequel album and a concert tour.

"I've promised a second album. I've promised to write a 25-minute, 30-minute sort of piece that incorporates the themes, some of the music that wasn't on the first album," said the composer James Horner, who picked up Oscars for best dramatic score and best original song.

And for those who haven't had enough of the film's swelling music, a concert tour featuring the score will be launched around the end of the summer. "I'm going to be doing probably five or six concerts sometime this summer or September, in time for when the videocassette of the movie comes out," Horner said.



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